



**DELHI UNIVERSITY
LIBRARY**

DELHI UNIVERSITY LIBRARY

Cl. No. W:28

H9

Ac. No. 105038

Date of release for loan

This book should be returned on or before the date last stamped below. An overdue charge of 5 Paise will be collected for each day the book is kept overtime.

AN INTRODUCTION TO

Public Welfare

HEATH'S SOCIAL RELATIONS SERIES

HOWARD BECKER, *General Editor*

University of Wisconsin

FAMILY, MARRIAGE, AND PARENTHOOD

*Edited by Howard Becker, University of Wisconsin, and Reuben Hill,
The University of North Carolina*

THESE OUR PEOPLE: MINORITIES IN AMERICAN CULTURE

By R. A. Schermerhorn, Cleveland College, Western Reserve University

AN INTRODUCTION TO PUBLIC WELFARE

By Arthur P. Miles, University of Wisconsin

In Preparation

MAN IN SOCIETY: AN INTRODUCTION TO SOCIOLOGY

By Howard Becker, University of Wisconsin

INDUSTRIAL SOCIOLOGY

By Joseph B. Giddler, Iowa State College

AN INTRODUCTION TO

Public Welfare

By ARTHUR P. MILES

UNIVERSITY OF WISCONSIN



D. C. HEATH AND COMPANY BOSTON

Copyright, 1949, by D. C. HEATH AND COMPANY. No part of the material covered by this copyright may be reproduced in any form without written permission of the publisher. Printed in the United States of America. (580)

BOSTON NEW YORK CHICAGO SAN FRANCISCO ATLANTA DALLAS LONDON

PREFACE

This book is intended for several groups of readers. It is designed primarily as a text for undergraduate and elementary graduate courses in public welfare administration. It will also be of value for in-service training programs in public welfare agencies and as a general reference for those engaged in the administration of public welfare. I shall be gratified if it explains the complexities of public welfare administration to some general readers.

The book is based upon the assumption that public welfare, as one of our major governmental services, can be understood best through a study of the development of the doctrine of public responsibility for the care of dependent persons. The philosophy of modern public welfare, the structure of modern public welfare agencies, and the administrative techniques employed in modern public welfare agencies, therefore, are presented in the light of the history of this doctrine.

A list of selected references is placed at the end of each chapter. These lists are not complete or exhaustive bibliographies, but are the references that seem to be most pertinent for the beginning student. Unpublished materials, articles in journals, and other items that are difficult to secure have not been included. The exception to this general rule is the list for Chapter 18, "Federal-State-Local Relationships." Articles have been included in this list because they are the most important sources for additional study.

I wish to express my thanks to many persons who have assisted, directly or indirectly, in the preparation of this volume. My debt of gratitude to my former teachers in public welfare and social insurance is very great and I am happy to have this opportunity of expressing it. My indebtedness to the late Sophonisba P. Breckenridge, formerly Samuel Deutsch Professor of Public Welfare Administration, and Edith Abbott, Dean Emeritus of the School of Social Service Administration, in the University of Chicago, should be self-evident to the reader. Likewise my indebtedness to Paul H. Douglas, Professor of Economics in the University of Chicago (elected United States Senator from Illinois in 1948), is equally great. While my good friend and colleague Edwin E. Witte, Professor of Economics in the University of Wisconsin, was not one of my teachers I have learned much from my association with him. For the past

Preface

several years I have had the pleasure of cooperating with him in conducting a graduate seminar on social security. Professor Witte has not only shared his rich experience in social security (which has included, among other things, the position as Executive Director of the President's Committee on Social Security) with me, but has made the manuscript copy of his forthcoming study on the history of social security available to me.

I have drawn upon my experiences as an employee of the Illinois Emergency Relief Commission (now the Illinois Public Aid Commission) and the Social Security Board (now the Social Security Administration) in the writing of this book. Likewise, my association with the state and local public welfare departments of Wisconsin has assisted me in many ways.

A number of my colleagues have read and criticized portions of the manuscript. It is impossible to name all of them, but I should like especially to thank Lloyd V. Ballard, Professor of Sociology in Beloit College. Students who have worked with me in my class have also sharpened my concepts and broadened my thinking about public welfare. I have also benefited from numerous discussions with the county welfare directors of Wisconsin at their annual institutes at the University. The staff of the University of Wisconsin Libraries, especially Helen Northrup, Reference Librarian, have assisted in the location of numerous references. The staff of the Document Division of the Library of the Wisconsin State Historical Society, especially Miss Ruth Davis and Mrs. Litta Bascom, have also rendered courteous and helpful assistance. The staff of the Wisconsin Department of Public Welfare have also assisted me. John W. Mannering, Joseph O. Wilson, Joseph Bires, and George M. Keith, all of the Division of Public Assistance, have been especially helpful.

The following organizations have generously permitted the reproduction of copyrighted materials: McGraw-Hill Book Co., Smith College School for Social Work, H. W. Wilson Co., Henry Holt & Co., W. W. Norton & Co., The Womens Press, Columbia University Press, Commonwealth Fund, The American Academy of Political and Social Science, The Macmillan Co., Russell Sage Foundation, The State Historical Society of Iowa, Rinehart & Co., Inc., American Book Co., National Conference of Social Work, and Longmans, Green & Co. These materials are all identified in the body of the text, by footnotes giving reference to author, title of book or article, and publisher.

I could not have written the chapters on the history of public

• *Preface*

welfare administration without constant reference to the *Proceedings* of the National Conference of Social Work, known as the National Conference of Charities and Corrections from 1873-1917. Frank J. Bruno's *Trends in Social Work* (New York: Columbia University Press, 1948) is based upon the *Proceedings*. The student of public welfare should have access to a complete set of the *Proceedings* and Professor Bruno's study. Likewise the *Social Work Year Book*, published by the Russell Sage Foundation, should be used as a standard reference. *Public Welfare*, the monthly journal of the American Public Welfare Association, should also be available to the student.

My colleague and friend, Professor Howard Becker of the University of Wisconsin, in his capacity as Editor of the Social Relations Series of D. C. Heath and Company, has been interested in this study for several years. His wise counsel and editorial assistance have been greatly appreciated.

I am most of all indebted to my wife, Julia Louise Beatty Miles, who has read the entire manuscript and made numerous constructive suggestions regarding content and literary form. Her former experiences in public and private social work have made her assistance especially valuable. The dedication of this volume to her, therefore, is both a token of my personal esteem and recognition of her professional assistance.

The people who have helped me in the preparation of this book are not responsible for the opinions expressed in it. This is a responsibility that I alone must assume.

Madison, Wisconsin

ARTHUR P. MILES

CONTENTS

Part One: *Introduction and Historical Background*

1. THE MEANING OF PUBLIC WELFARE	3
Definition of Public Welfare	
Functional Approach	
Service, Organization, and Administration	
Complexity of Public Welfare Administration	
Nature of Public Welfare Administration	
Evolution of Public Welfare	
Costs of Public Welfare	
Professional Spirit	
Goals of Public Welfare	
Selected Bibliography	
2. OUR ENGLISH POOR LAW HERITAGE	24
Past, Present, and Future	
Genesis of the Doctrine of Public Responsibility	
Elizabethan Poor Law, 1601	
The Act of Settlement, 1662	
Work Relief and Workhouses	
Poor Law Used to Supplement Wages	
Selected Bibliography	
3. OUR ENGLISH POOR LAW HERITAGE (CONTINUED)	38
Poor Law Administration Prior to 1834	
Reforms of 1834	
Thunder from the Right and Left	
Royal Commission of 1909	
Emergence of Social Insurance	
Modern Public Assistance in England	
Selected Bibliography	
4. AMERICAN POOR LAW HISTORY	54
Colonial Background	
Poor Laws in Northern States	
Poor Laws in Southern States	
Poor Laws in Western States	
Poor Laws Still with Us	
Poor Law Principles	
Social Lag and the Poor Laws	
Selected Bibliography	

Part Two: *The Formative Years in Public Welfare*

5. THE RISE OF STATE AGENCIES 79

Early State Institutions and Special Classes
of State Dependents
Need for a Central State Authority
Massachusetts State Board of Charities
Supervisory Authorities in Other States
Accomplishments of State Boards
Selected Bibliography

6. THE BEGINNINGS OF FEDERAL AID 96

Significance of Federal Aid
Brief History of Grants-in-Aid in America
Earliest Efforts at Federal Aid for Public Welfare
Life and Times of Dorothea Lynde Dix
Dorothea Lynde Dix and the Crusade for Federal
Aid
President Pierce's Veto of Miss Dix's Bill
Matter of Terminology
Selected Bibliography

7. FROM SUPERVISION TO CONTROL 112

Duties of the Original State Boards of Charities
Trend toward Administrative Responsibility
Wisconsin State Board of Control
Economy and Efficiency Movement
Illinois Civil Administrative Code
Development of Local Welfare Services
Agitation for Improved Public Welfare Services
in Rural Areas
Selected Bibliography

8. THE CHARITY ORGANIZATION MOVEMENT AND PUBLIC WELFARE 131

Thomas Chalmers and the Theory of Locality
Relief Experiments in Hamburg
Munich Experiment
Elberfeld System
Charity Organization Movement in England
Charity Organization Movement in America
American Antecedents
Effects of the Charity Organization Movement
Subsidy System
Selected Bibliography

Contents

9. THE DEVELOPMENT OF SOCIAL INSURANCE IN EUROPE 152

Social Insurance and Public Assistance
 Germany
 Denmark
 England
 Social Insurance Found in All Western Nations
 Selected Bibliography

10. THE DEVELOPMENT OF SOCIAL INSURANCE IN THE UNITED STATES 172

Workmen's Compensation
 Wisconsin Unemployment Compensation Law
 Federal Social Security Act
 Cash Sickness Insurance Act in Rhode Island
 Cash Sickness Insurance Act in California
 New Jersey Temporary Disability Benefits Law
 Significance of Social Insurance Developments
 in Public Assistance Administration
 Selected Bibliography

11. CATEGORICAL OUTDOOR RELIEF 289

Categorical Approach
 Aid to the Blind
 State Old-Age Assistance Laws
 Juvenile Court Movement
 Aid to Dependent Children
 Maternal and Child Health
 Crippled Children
 Selected Bibliography

Part Three: *Modern Public Welfare Agencies*

12. THE FEDERAL GOVERNMENT BECOMES WELFARE CONSCIOUS 213

Need for Emergency Relief
 State Unemployment Relief
 Emergency Relief Division of the Reconstruction
 Finance Corporation
 Federal Emergency Relief Administration
 Work Programs
 Related Programs
 Administrative Impact of the FERA
 Passage of the Social Security Act
 Provisions of the Social Security Act
 Selected Bibliography

13. FEDERAL PUBLIC WELFARE AGENCIES 241

Lack of Unified Welfare Authority
 Children's Bureau
 Vocational Rehabilitation
 Public Health Service
 Bureau of Prisons
 Office of Indian Affairs
 Veterans Administration
 Social Security
 Selected Bibliography

14. STATE PUBLIC WELFARE AGENCIES 267

Federal-State Relationships
 State Legislatures and Public Administration
 Type of State Authority
 Single versus Multiple Agencies
 State Administered and State Supervised Programs
 Internal Organization
 Examples of State Public Welfare Authorities
 Trends in State Public Welfare Programs
 Selected Bibliography

15. LOCAL PUBLIC WELFARE AGENCIES 296

Relation of Local Units to the State
 Number of Local Units
 Historic Importance of Local Government
 The Local Tradition in Public Welfare
 Development of the County as an Administrative
 Unit in Social Work
 Township Poor Relief
 Municipal Departments
 Type of County Agency
 Examples of County Departments
 Public Welfare and Other Local Services
 Selected Bibliography

Part Four: *Administrative Techniques*

16. ADMINISTRATION AND ADMINISTRATIVE MANAGEMENT 323

Administration and Management
 Overhead Controls
 Development of Public Administration
 Development of the Administrative
 Process in Private Social Agencies
 Chief Executive

Contents

Elements of Administrative Management
Office Management
Physical Plant
Recognition of the Administrative
Function in Public Social Work
Selected Bibliography

17. PERSONNEL ADMINISTRATION

340

Social Work and Civil Service
History of Civil Service in the United States
State Merit Systems for Social Security
Recruitment
Application
Examinations
Weighting and Scoring
Selection
Classification
Compensation
Promotions
Separations
In-Service Training
Veterans Preference
Significance of Civil Service in Public Welfare
Selected Bibliography

18. FEDERAL-STATE-LOCAL RELATIONSHIPS

363

Joint Responsibility of Public Welfare
FERA Control Devices
Requirements of the Social Security Act
Federal Control Devices
Fiscal Control
Administrative Review
State Control Devices
Control over Personnel
Control over Statistical Reporting
Fair Hearings as a Control Device
State Rules and Regulations
Supervision in the Local Offices
Toward Constructive Federal-State-Local
Relationships
Selected Bibliography

19. INDIVIDUALIZED SERVICES

383

Professional Aspect of Social Work
Principles of Social Case Work
Role of Case Work in Public Welfare
Right to Assistance
Unrestricted Money Payment
Methods of Determining Need
Professional Education for Public Welfare
Selected Bibliography

20. FINANCE

405

Significance of Business Management in
Public Welfare
Making the Budget
Financing Public Welfare
Public Assistance Accounting
Organization of a Division of Finance
Selected Bibliography

21. RESEARCH AND REPORTING

424

Need for Research in Public Welfare
Statistical Reporting
Tabulation and Publication of Social Statistics
Administrative and Long-Range Research
Organization of a Division of Research
and Statistics
Reporting to the Public
Selected Bibliography

PART ONE

Introduction and Historical
Background

1. The Meaning of Public Welfare

DEFINITION OF PUBLIC WELFARE

The meaning of the term *public welfare* is still in a state of flux. This is due primarily to the widening scope of governmental welfare services in recent years. In many areas the public welfare services have appeared largely as a result of the Great Depression which began in 1929 and the enactment of the Social Security Act in 1935. To some, public welfare is synonymous with the constitutional phrase "to promote the general welfare." The legal interpretation that has recently been given to public welfare and the broadened scope of the field offer a rationale for such a definition. Students of government, however, have given the term a more restricted meaning. They generally use it to include public recreation, public health, and education as well as the activities of our departments of public welfare. In this sense public welfare is synonymous with the British term *social service*, which refers to all the services provided under governmental auspices for the wellbeing of the citizen. Others have restricted the meaning of public welfare to specific governmental services, usually those services administered in a department of public welfare. Even this more restricted definition is not based upon general principles but usually includes those services which are grouped together in a given jurisdiction for administrative convenience. It does not give the student a guide or a critique for appraising the wisdom of joint administration of the services.

Another factor which has contributed to the absence of a common linguistic denominator is the paucity of literature in the field. Except for the pioneer studies of a small number of scholars the literature of public welfare is still found mainly in public documents and in monographs. These documents and monographs are of great value from a factual point of view, but they do not necessarily assist the student in evolving a theory of public welfare and, ultimately, an analytical frame of reference that will assist him in formulating a precise and scientific definition of the term.

The absence of precise definition of the field of public welfare should not be a major barrier; it should serve as an intellectual challenge to

the student in this comparatively new area. Nevertheless, one should recognize that public welfare means different things to different people. For our purposes public welfare is tax supported social work.

Defining public welfare as tax supported social work does not solve our dilemma. Such a definition immediately raises the question as to what is meant by the term *social work*. Many people have attempted to define it. The earliest definitions were quite general. Edward T. Devine referred to social work in 1922 as a "salvage and repair service."¹ The title of a book by Karl de Schweinitz published in 1924 suggested another definition: *The Art of Helping People out of Trouble*.²

Those who have defined the term more recently have been in general agreement that social work is concerned with human relationships. The definitions offered, however, have usually not enabled people to distinguish social work from several other professions (e.g., the ministry, education, and law). One phase of social work — social case work — has been defined most often. The classic definition was coined by Miss Mary E. Richmond in 1922: "those processes which develop personality through adjustments consciously effected, individual by individual, between men and their social environment."³

Miss Helen L. Witmer examined these and many other definitions of social work in her book, *Social Work: An Analysis of a Social Institution*. She concluded that the search for the activities that are "indubitably social work" leads to the conclusion that "they are to be found chiefly in the field of social case work and in some aspects of group work." In addition, she noted that they include those organizational, administrative, and research activities that are a necessary part of case work and group work.⁴

Miss Witmer's definition does not include all public welfare workers as social workers. Some public welfare workers who use relief as a means of developing the personality of the individual recipient may be, under her definition, considered as social workers. Ultimately, she believes, all public welfare agencies may use relief as a constructive experience for the recipients, but she does not believe that the majority of agencies are doing so at the present time.⁵

¹ Edward T. Devine, *Social Work* (New York: Macmillan, 1922), p. 1.

² Published by Houghton Mifflin, Boston, 1924.

³ Mary E. Richmond, *What Is Social Case Work?* (New York: Russell Sage Foundation, 1922), pp. 98-99.

⁴ Helen L. Witmer, *Social Work: An Analysis of a Social Institution* (New York: Rinehart, 1942), p. 43.

⁵ *Ibid.*, pp. 227-28.

In spite of Miss Witmer's intelligent analysis of the meaning of social work there are many students of the subject who believe that her definition is too narrow.⁶ The author of this book agrees with these commentators. He believes that social work was well defined by the *Social Work Year Book, 1945*. The *Social Work Year Book* states that social work "is a professional service to people for the purpose of assisting them, as individuals or in groups, to attain satisfying relationships and standards of life in accordance with their particular wishes and capacities and in harmony with those of the community." Joseph Anderson in his article on "Social Work as a Profession" in the *Year Book* specifically includes public welfare as a social work function.⁷ It is in this sense that we define public welfare as tax supported social work. In doing so we recognize that not all public welfare agencies measure up to the ideal standard set by Miss Witmer, but we know that they are moving in that direction.

FUNCTIONAL APPROACH

Tax supported social work, for the most part, is administered or supervised by state departments of public welfare. From this functional point of view public welfare embraces all those services labeled as such by the several areas of government. Included are the various public assistance programs — poor relief or general assistance, unemployment relief, disaster relief, and the usual social security aids. Public welfare also embraces those governmental services for the prevention and treatment of delinquency, crime, neglect, and physical and mental handicaps. Also included are various special services to underprivileged children, the physically and mentally handicapped, and the delinquent. Related to these institutional programs are such services as probation and parole and clinical care for the mentally ill.

The social insurances, strictly speaking, are not a part of our public welfare services. They are, however, so closely related that they should be recognized as allied services. Social insurance has been defined as "a means of anticipating the hazards of industrial workers and mitigating those hazards by granting benefits in accordance with specified conditions."⁸ There are three social insurance programs

⁶ For a critique of Miss Witmer's definition, see Helen I. Clarke, *Principles and Practice of Social Work* (New York: Appleton-Century, 1947), pp. 9-29.

⁷ Joseph P. Anderson, "Social Work as a Profession," *Social Work Year Book, 1945* (New York: Russell Sage Foundation, 1945), pp. 446-47.

⁸ Arthur P. Miles, "Meeting Economic Need as Related to Insurance Eligibility," *Proceedings of the National Conference of Social Work, 1942*, p. 307.

in the United States. The oldest is workmen's compensation, a program for industrial workers injured in the course of their employment, administered by the states without federal aid or supervision. Old age and survivor's insurance provides regular monthly annuities to certain superannuated workers. It is administered by the federal government through the local field offices of the Bureau of Old Age and Survivor's Insurance, Social Security Administration. The third program is unemployment compensation, a program, as the name implies, granting benefits to certain industrial workers who are temporarily out of work. It is administered by the states with the financial and supervisory assistance of the federal government.

Social insurance differs from public assistance because the recipient is entitled to his benefit as a matter of contractual right and not through dependency proved by a means test. The relationship between the two programs in a total system of social security is obvious. The social insurances, although in the long run the keystone of the social security arch, cannot care for all those in need or all the needs of all those who are covered under their provisions.

A brief résumé of those services administered in state departments of public welfare should assist the student in understanding the scope of our modern public welfare services. The services are usually administered in the localities, but the functions of state departments are representative of the local services. Furthermore, it is simpler to delineate the activities of a few state departments than of numerous local departments.

In New York the Board of Social Welfare, "like all governmental bodies which have a long history, is the inheritor of many duties and obligations accumulated throughout the seventy-five years of its existence as well as an agency to which new functions are being given each year. Consequently, its field of work is compounded from both the past and the present."⁹ This is typical of many boards of public welfare and illustrates the dilemma that faces the student of public welfare: our state organizations reflect the changing concept of public welfare, but a mere recital of their functions does not give an adequate basis for an analysis and appraisal of modern public welfare structures.

The New York board is composed of lay citizens with varied backgrounds. The Commissioner of Social Welfare is the administrative head of the State Department of Social Welfare. The department is concerned with the supervision of locally administered,

⁹ *State of New York, Board of Social Welfare, Annual Report for the Year 1941*, p. 7.

federally aided programs of public assistance and a general assistance program called Home Relief. In addition, the department also administers a child welfare services program, which has resulted in improving the standards of child care. Three training schools for delinquent children in New York are under direct jurisdiction of the department. Two other institutions, the Thomas Indian School for Dependent Indian Children and the Women's Relief Corps Home for Aged Dependent Veterans, their wives, and relatives, are administered through the department. Responsibility for Indian affairs also is lodged within the department. The department is responsible for the relief, care, and wellbeing of approximately 5500 Indians on seven state reservations.¹⁰

The New York department also has certain responsibilities for the incorporation of charitable institutions. This is, in fact, one of the oldest functions of the department. "In this function," according to a recent annual report, "the Board performs one of its oldest obligations in an historical sense and we are reminded that the original purpose of the Board was to have a group of disinterested people report to the legislature and the governor yearly upon the way in which many eleemosynary institutions and agencies throughout the state performed their duties."¹¹

The state of New Jersey also has an all-inclusive department. The State Board of Control, which consists of nine state residents, at least one of whom must be a woman, and the governor acting *ex officio*, is appointed by the governor subject to the confirmation of the state senate. The board is policy making in function and appoints the Commissioner of the State Department of Institutions and Agencies. The department supervises county administration of the three social security aids and general assistance. Likewise, it supervises an extensive child welfare services program. Supervision and ultimate authority are exercised by the department over state hospitals, charitable institutions, and correctional institutions. Retained in the department are certain powers of investigation, visitation, and inspection. For example, it is empowered to visit and inspect, report

¹⁰ For the legal basis of all social welfare activities in New York State see *Social Welfare Law of the State of New York* (Albany: Department of Social Welfare, 1946). Since the publication of the *Law* some additional changes have been made. These changes deal almost exclusively with the integration of local welfare services. (See Robert T. Lansdale and Byron T. Hipple, Jr., "Integration of Social Welfare Services — State Organization," *Social Service Review*, Vol. XX, No. 1 (March, 1946), pp. 1-10.)

¹¹ *State of New York, Board of Social Welfare, op. cit.*, pp. 7-16.

on, and make recommendations regarding county jails, county almshouses, and other local institutions.¹²

In Wisconsin the present Department of Public Welfare was established in 1939 when the old Board of Control, the Public Welfare Department, and the State Pension Department were abolished. The powers, duties, and functions of those departments were transferred to the new State Department of Public Welfare. The Wisconsin board, like the New York and New Jersey boards, is regulatory, advisory, and policy forming rather than administrative. The administrative and executive powers are vested in the Director of Public Welfare.

The Wisconsin department supervises the administration of the public assistance provisions of the Social Security Act in the counties. A child welfare service program is also administered within the department. In addition to the administration of the child welfare services, the Division of Child Welfare licenses private child-caring and home-finding institutions.

The following state institutions also come under the management of the state department:

Mendota State Hospital	Wisconsin State Reformatory
Winnebago State Hospital	Wisconsin Industrial Home for Women
Central State Hospital	
Northern Wisconsin Colony and Training School	Wisconsin Industrial School for Boys
Southern Wisconsin Colony and Training School	Wisconsin Industrial School for Girls
Wisconsin State Prison	Wisconsin Child Center
	Camp Hayward, Transient Camp
	Wisconsin Workshop for the Blind

Probation and parole services are also included within the scope of the department's activities. The department supervises the probation of adult and minor offenders and inmates on parole from various institutions. The Youth Service Division of the department provides certain treatment facilities for children and coordinates state and local efforts directed toward the prevention of delinquency.¹³

Wisconsin, then, has an all-inclusive Department of Public Welfare, supervising or administering practically all the programs and

¹² Marietta Stevenson and Alice MacDonald, *State and Local Public Welfare Agencies* (Chicago: American Public Welfare Association, 1939), pp. 60-62. This book contains an excellent résumé of the public welfare services of the various states. Unfortunately, it is now somewhat out of date.

¹³ For a detailed description of the history and present organization of public welfare in Wisconsin, see *Development of Public Assistance Programs in Wisconsin and Their Administration, 1848-1948* (Madison: State Department of Public Welfare, 1948).

services that customarily come within the scope of tax supported social work. It should be noted, however, that one program that is often found within the administrative or supervisory orbit of a state department is absent from the long list of functions of the Wisconsin state department. In Wisconsin the state department does not have any administrative or supervisory responsibility for general assistance. This type of assistance is still exclusively a local responsibility.

All-inclusive state departments of public welfare are usually found in states that established departments prior to the passage of the Social Security Act. Many of these departments were patterned after the Illinois department organized pursuant to the Illinois Administrative Code of 1917. In that year Illinois reorganized all functions of state government into a number of departments with an appointed director as the executive officer of each department. One of these departments was the Department of Public Welfare. In 1917 public assistance was not a state responsibility, and the state's welfare services were concentrated in institutions, child welfare, and parole. Thus the Illinois department was originally concerned mainly with the supervision of institutional management.

Public assistance in Illinois is administered or supervised by the Illinois Public Aid Commission. Prior to July 1, 1943, however, responsibility for public assistance was divided among several departments. The State Department of Public Welfare was responsible for aid to dependent children and for old age pensions, the Illinois Public Aid Commission for general assistance and certain special assistance programs financed entirely from federal funds, and the county government for blind relief. Since July 1, 1943, the Illinois Public Aid Commission has administered old age assistance, aid to the blind, and aid to dependent children in the localities and has supervised the administration of general assistance by the overseers of the poor in the counties. The State Department of Public Welfare administers the welfare institutions and mental hygiene and such related programs as the child welfare services. The Department of Public Safety administers the correctional institutions of the state.

Seven citizen members are appointed by the governor to the Illinois Public Aid Commission. In addition, three state officers — the state Treasurer, the Auditor of Public Accounts, and the Director of Finance — are *ex officio* members. No more than four of the appointed members may, by law, be of the same political party.¹⁴

¹⁴ For the development and present organization of public welfare in Illinois, see "Historical Background of Public Assistance in Illinois" in *A Proposed Public Assistance Code of Illinois* (Springfield: Illinois Public Aid Commission, 1947), pp. 59-90.

Many of the western states have been able to design their public welfare programs with less regard for the customs of the past than sister states on the eastern seaboard or in the Midwest. The transition from private to public philanthropy and the change from local community responsibility in these states did not usually occur until after 1929. This does not mean that these changes came about as the result of far-sighted, social-scientific planning. Quite the contrary; the changes were usually traumatic in nature and came about as an utter necessity.

The history of the transition in Utah is illustrative of the forced nature of these changes. Prior to the depression, aid to dependent persons in Utah was entirely a matter for neighborly generosity, private charity, and the haphazard services of local governmental units. The resources of these organizations and agencies, however, "proved woefully inadequate to cope with the enormous problems of human misery and destitution following the crash in 1929. Local private and public agencies were faced, for the first time, with a problem of such enormous proportions that their resources and organization were dwarfed out of sight in terms of adequacy."¹⁵

Social and economic forces in Utah, as in other states of the nation, created problems of national magnitude. These national problems, unemployment and its attendant evils, became the responsibility of private charitable agencies and of local units of government.¹⁶ As the ranks of the unemployed increased, the local governments tried desperately but hopelessly to cope with the problems. Then, with local financial resources exhausted, frantic pleas were made to the state. The resources of the state were tapped, but soon the state appealed to the national government in Washington.

Federal funds were made available to Utah, as to other states, in 1932. Various federal agencies granted relief funds for the unemployed, first the Reconstruction Finance Corporation, then the Federal Emergency Relief Administration and its related agencies, the Civilian Works Administration, the Work Projects Administration, and the Civilian Conservation Corps. "These were, in the main, still stopgap methods of dealing with a situation of which the depression and its attendant poverty and destitution were merely symptomatic. It was evident that insecurity was one of the major problems to be dealt with. It likewise seemed evident that insecurity, so acutely tragic and spectacularly demonstrated in bad times, was a disease chronic under our system of economy. It was a disease that

¹⁵ State of Utah, Department of Public Welfare, Division of Public Assistance and Welfare Service, *Third Biennial Report, 1940-1942*, p. 9.

would break out in epidemic form whenever certain circumstances or factors, over which the individual has no control, combined with given conditions to create a depression."¹⁸

Then came federal legislation, with complementary state laws, that provided a permanent program. The Social Security Act was passed in 1935. Provisions of the public assistance sections of the Act were implemented in Utah, as elsewhere, by appropriate state legislation. Thus, the Utah State Department of Public Welfare came into being. The department is administered by a three man commission, which is appointed by the governor, one of whose members is designated as the chairman. Administered by the department are the public assistance provisions of the Social Security Act and a general assistance program. In addition, certain child welfare services and juvenile probation are administered in the department. Also, the management of the state institutions comes under departmental jurisdiction.

From this brief résumé of the public welfare services in five states it is apparent that the departments do not include the same programs in the various states. Although legislators have exhibited some originality, the differences are actually more often due to the peculiar history and traditions of the states than to deliberate legislative design. There are some programs and services, however, that are almost always found administered within a state department of public welfare. These are the public assistance programs — old age assistance, aid to dependent children, aid to the blind, and general assistance — and the child welfare services. The Social Security Act has thus been a powerful influence in molding the structure of our modern public welfare services.

SERVICE, ORGANIZATION, AND ADMINISTRATION

In analyzing the structure of our public welfare services it is essential to bear in mind the distinction that should be made, at least in the opinion of the writer, between organization, administration, and service. *Service* in public welfare includes those governmental programs designed for the treatment of human need and personal maladjustment. These services include public assistance, institutional care, and a variety of related programs. *Organization* in public welfare refers to the framework or structure that has been erected by statutory authority for the purpose of implementing the services. *Administration* in public welfare is the art or technique of relieving

¹⁸ *Ibid.*, p. 10.

human want and distress and of treating human maladjustment under governmental auspices. In short, it is organization in action.

Public welfare administration has its beginning only after the services have been organized. Administration is carried on through a variety of specialized professional activities. In public welfare these include personnel administration, research and statistics, accounting, social planning, and public relations, in addition to the usual professional social work services.

COMPLEXITY OF PUBLIC WELFARE ADMINISTRATION

With the advent of programs that are administered on a federal-state-local cooperative basis, such as old age assistance, numerous complexities have been introduced in public welfare administration. The responsibilities of the various areas of government have resulted in the introduction of new administrative devices as well as the utilization of many old methods. The Bureau of Public Assistance of the Social Security Administration, for example, has created a scheme for reviews of local administrations in order to appraise their efficiency in the light of federal requirements. Case reviews and so-called "spot reviews" have also been used by state departments of public welfare to assess the adequacy of local administration. In any program of federal grants-in-aid the federal government has a moral as well as a legal responsibility to see that the funds are properly expended. These federal and state supervisory roles in themselves add complexities to the administration of public welfare.

The very nature of human need also introduces untold complications in the administrative processes. The Social Security Act stipulates that all income and resources of the individual must be taken into consideration in computing his grant. But the Act does not define need. Definition has been left to the states, which have wrestled with the problem in a comparatively objective and scientific fashion. "Human need" differs, however, from jurisdiction to jurisdiction because of methods used in computing the amount of need and the different standards of health and decency that are operative in the several states. Although the measurement of human need is of necessity a complicated subject, it is the very essence of administration in public assistance.

Still another factor in public welfare administration which results in administrative complications is the federal requirement that employees administering the social security aids and the child welfare services must be selected on the basis of merit. With relatively few

civil service systems in operation in the states at the time of the passage of the Social Security Act, the states had to design special merit systems for the selection of public welfare employees. Assistance was given by the federal government through the Social Security Administration's State Technical Advisory Service. However admirable the principle of merit — and it has resulted in greatly improved administration — it must be admitted that it has brought additional complications in the administration of public welfare.

The public welfare administrator faces numerous difficulties. The complex problems associated with the determination of human need and the knotty features of institutional management only heighten the task which is before him. The very urgency of his situation forces him to become an expert if he does his job properly.

NATURE OF PUBLIC WELFARE ADMINISTRATION

Inasmuch as public welfare administration is the art or technique of assisting the needy and treating the socially or psychologically maladjusted, it possesses a number of facets. Administration, however, is not something that is the sole prerogative or responsibility of the executive of any agency; the activities of all the members of a public welfare staff, from the clerks and stenographers to the director, are administrative in character.

A variety of professional employees are required in public welfare administration: case workers, case supervisors, case consultants, child welfare workers, psychiatric social workers, medical social workers, probation and parole officers, field representatives, and others. Although the professional social work services are among the most important in any public welfare agency, they have only recently been regarded as essential. It is no longer accepted that any normally intelligent person with good intentions can do welfare work. Public welfare departments now require the selection of professional social work personnel on the basis of education and experience as judged in open competitive examinations. In addition, numerous other professional persons are also essential to the efficient administration of a modern public welfare system: physicians, psychologists, accountants, personnel officers, and statisticians.

It should be noted especially that the superstructure of administration in a public welfare agency exists for one purpose only — the granting of assistance and services to eligible citizens. Directors of county agencies, field supervisors, field statisticians, and executive directors, in both federal and state agencies, exist solely for the su-

pervision and improvement of these services. Sometimes it is difficult for those in the upper niches of the administrative hierarchy to recognize this simple, elementary fact. This is particularly true because of the persistent habit of state and federal officials in speaking of "levels"¹⁷ of administration. Thus, by inference, the local "level" of government is the lowest and least important.

The local "level," as a matter of fact, is the most important in the administration of public welfare. It is the local unit where there is a face-to-face relationship with the client.¹⁸ The real service is thus rendered by the local unit. In a public assistance agency, for example, it is the case workers in the local unit who are the most important administrative officials, for they do most of the work in establishing eligibility and determining the amount of the grant. The service and the assistance are given through the case workers; all other activities, theoretically at least, exist to implement the case work services.

EVOLUTION OF PUBLIC WELFARE

Our present public welfare programs are quite new, but they are based upon a principle that is very ancient in Anglo-American law. The principle of public responsibility for dependent persons has been an accepted factor in Anglo-American law for at least three generations. Indeed, some scholars claim that this basic principle may be traced to a decree enunciated by King Edward III in 1349 known as the Statute of Laborers. Karl de Schweinitz, for example, declares that England's modern social security system dates from this statute.¹⁹ Edith Abbott, on the other hand, states that the underlying

¹⁷ The author dislikes the patronizing term "levels" of government to refer to the various areas or units of government. In a federal system of government the states and the instruments of their creation, the counties, are the important areas of government; the federal government has only those powers that have been delegated to it by the states. Regular reading of that great classic in American political theory, *The Federalist*, is suggested as an antidote for the philosophy of "levels" of government.

¹⁸ Recipients of public welfare assistance and services are referred to as "clients." Those on probation and parole are known as "probationers" or "parolees." Those in institutions are called "inmates," but to the professional staff of the institution they are "patients." "Offenders" is the term used to designate those in local and secondary state institutions for petty offenders and misdemeanants, while those in state prisons are called "prisoners." The term "client" will be the one most usually used in this book.

¹⁹ Karl de Schweinitz, *England's Road to Social Security* (Philadelphia: University of Pennsylvania Press, 1943), p. 1.

principles of our modern public assistance laws have been accepted public policy since 1601.²⁰

We shall learn in the next chapter that as early as 1572 the Parliament of England passed a law which recognized the doctrine of public responsibility for dependent classes. Subsequently, this law was incorporated in the Elizabethan Poor Law of 1601, which may be accepted as the beginning of our present public welfare program.

The old poor laws, or pauper laws as they were often styled, may appear to have very little in common with our modern public assistance statutes. As one commentator has said, they "differ so much from modern conceptions of public welfare that they do not belong in the same category."²¹ But the basic principles of our modern programs stem directly from these ancient and venerable poor laws.

America accepted public responsibility for dependent persons in the seventeenth century colonies. As new states were organized the same principle was extended to their boundaries. For example, it was accepted in the Northwest Territory in 1790, and in every other territorial legislature the principle was enacted into law at one of the early meetings. In some of the western states, such as Kansas, the principle was written into the constitution.²² Even the poor laws of the West were designed in accordance with the ancient doctrines of the Elizabethan Poor Law.

The history of public welfare from the ancient poor laws to social security is the story of the evolution from exclusively local responsibility to local-state-federal cooperation. With the development of specialized state institutions, which transferred many dependent persons from the responsibility of the overseers of the poor to the superintendents of state asylums, some method of state supervision over institutions became necessary. Virginia authorized the first public institution for the insane in 1769. The first penitentiary was established in Pennsylvania in 1790. The first institution for the deaf and dumb was authorized by Kentucky statute in 1822.²³ The first public institution for delinquent boys was organized at Westboro, Massachusetts, in 1846. Gradually state institutions for the

²⁰ Edith Abbott, *Public Assistance: American Principles and Policies* (Chicago: University of Chicago Press, 1940), p. 3.

²¹ R. Clyde White, *Administration of Public Welfare* (New York: American Book, 1940), p. 35.

²² Grace Browning and S. P. Breckinridge, *The Development of Poor Relief Legislation in Kansas* (Chicago: University of Chicago Press, 1935), pp. 1-30.

²³ Blake McKelvey, *American Prisons* (Chicago: University of Chicago Press, 1936), p. 21.

care of the insane, the deaf, the criminals, and the delinquents were erected in state after state. The inmates of these institutions were our first "categories" or special classes of public dependents who were removed from the jurisdiction of the local overseers of the poor.

These early state institutions were usually administered by an unsalaried independent board. Each institution had a separate board, the members of which were appointed by the governor, often subject to the approval of the state senate. Independent separate boards with overlapping terms for the members may have resulted in a minimum of overt partisan administration, but policies for all institutions within a state were not uniform.

Massachusetts was the first state to coordinate its various welfare institutions. This was done with the creation of the Massachusetts Board of State Charities in 1863. The Massachusetts example was soon followed in Ohio, New York, Illinois, North Carolina, Pennsylvania, Rhode Island, Wisconsin, Michigan, Kansas, and Connecticut.²⁴

The original state boards were supervisory. Soon, however, they became more administrative and many became, in reality as well as in name, boards of control. Another significant milestone was achieved with the adoption of the Illinois Administrative Code in 1917. The entire state government was reorganized into a number of departments, the directors of which were appointed officials who served collectively as a sort of state cabinet. The Department of Public Welfare was administered by a director without the usual policy-making or administrative board. New Jersey's Department of Institutions and Agencies was created in 1918 and is somewhat similar to the Illinois department. These are all-inclusive departments administering a variety of institutions and services. The current trend appears to be in the direction of a public welfare department concerned primarily with the social security aids, public assistance, and child welfare.²⁵

In the meantime the federal government entered the public welfare field. The Children's Bureau was organized in the Department of Commerce and Labor in 1912. Originally the Children's Bureau was a fact-finding and research agency, but it has become an important federal social agency, especially since the passage of the Sheppard-Towner Act in 1921 and the Social Security Act in 1935. The Bureau

²⁴ S. P. Breckinridge, *Public Welfare Administration in the United States: Select Documents* (Chicago: University of Chicago Press, 1937), pp. 259-91.

²⁵ White, *op. cit.*, p. 51.

now supervises the administration of the child welfare service programs in the states and is a unit of the Social Security Administration.

The federal government did not have any financial and administrative responsibilities for public assistance until various emergency programs were created during the depression. The depression, originating with the stock market crash in October, 1929, ultimately forced the federal government into the field of public welfare. The first federal funds for emergency relief for the unemployed were made available to the states and localities by the Reconstruction Finance Corporation in 1932. Although the Federal Emergency Relief Division of the Reconstruction Finance Corporation had no power or authority to make rules and regulations, its activities marked the beginning of federal aid for public assistance. It was followed by the Federal Emergency Relief Administration, which became operative in May, 1933. The Federal Emergency Relief Administration, with the energetic Harry L. Hopkins as its head, was an agency with real power and authority. It paved the way for the passage of the Social Security Act in 1935. The Social Security Act marked the acceptance of public responsibility for public assistance on a permanent federal basis.

Our modern public welfare organizations, therefore, are comparatively new, dating from the depression and the passage of the Social Security Act in 1935. However, the basic principle upon which these programs rest, that is, public responsibility for the care of dependent persons is at least three centuries old, having originated with the passage of the ancient and venerable Poor Law of Queen Elizabeth in 1601.

Expenditures for public welfare, even in the years immediately prior to the depression, were comparatively large, especially when considered as a proportion of total social work expenditures. Public funds furnished the bulk of relief in the so-called "normal" year of 1929. In that year the expenditures of public departments accounted for approximately three million dollars a month.²⁶ By 1933, in a hundred and twenty-one cities for which data are available, relief spending amounted to forty millions per month; thirty-seven millions, or nearly 93 per cent, coming from public funds.²⁷

According to the table on page 18, public agencies spent 75.8 cents of each dollar spent for relief in 1929; in 1930, 76.1 cents; and by

²⁶ I. M. Rubinow, *The Quest for Security* (New York: Holt, 1934), p. 347.

²⁷ Arthur P. Miles, *Federal Aid and Public Assistance in Illinois* (Chicago: University of Chicago Press, 1940), p. 6.

1934, 97.6 cents. Thus from a financial point of view public welfare agencies were of importance prior to the depression.

Annual Relief Expenditures from Public and Private Funds
in 120 Urban Areas
1929-1934 ²¹

YEAR	PUBLIC AND PRIVATE	PUBLIC	PUBLIC (PER CENT)	PRIVATE	PRIVATE (PER CENT)
1929	\$42,892,000	\$32,531,000	75.8	\$10,361,000	24.2
1930	70,512,000	53,634,000	76.1	16,878,000	23.9
1931	171,935,000	122,049,000	71.0	49,886,000	29.0
1932	306,244,000	249,776,000	81.6	56,468,000	18.4
1933	447,358,000	419,005,000	93.7	28,353,000	6.3
1934 *	583,997,000	569,876,000	97.6	14,120,000	2.4

* First eight months.

COSTS OF PUBLIC WELFARE

An appreciation of the scope and magnitude of our public welfare programs can be gained from an analysis of expenditures for various governmental services. From this point of view, public welfare is one of the most important government services. In most states public welfare is one of the three largest functions of government, the other two being highway construction and public education.

In some states (e.g., Illinois) public assistance is the largest single function of government. Illinois "is in the fortunate position of providing a relatively high level of public aid while at the same time maintaining a comparatively low state tax burden." In July, 1947, for example, the average grant for old age assistance in Illinois was \$39.63, compared to a national average of \$35.99. On the other hand, the per capita tax burden in Illinois has been below the national average.²²

The Bureau of the Census of the United States Department of Commerce has published some interesting and highly significant data on state expenditures. These data for 1941 have been chosen for illustrative purposes. Admittedly they are not the latest figures, but it is believed that, for comparative purposes, data for that year may be more meaningful than those for later years particularly in regard to highway construction. Also it seems logical to choose a year close to 1940, the date of the last census. In 1941 all of the states expended a total of \$5,541,599,000 for operation, state aids, debt service and

²¹ Children's Bureau, United States Department of Labor.

²² J. W. Huston, "Financing Public Assistance in Illinois," *Public Aid in Illinois*, Vol. XV, No. 4 (April, 1948), p. 2.

capital outlays. Public welfare²⁰ was the service on which the most money was spent during 1941 by all of the states: \$938,877,000 as compared with \$925,221,000 for schools and \$580,172,000 for highways.²¹

Although it is admittedly somewhat misleading to compare state expenditures for public welfare with state expenditures for schools, a broad picture of the financial importance of public welfare is thus achieved. Public welfare is much more of a state financial responsibility and less of a local responsibility than public education or highway construction and maintenance. In New York State approximately 25 per cent of the costs of categorical assistance is borne by the localities; in Wisconsin, approximately 15 per cent; and in some states, such as Illinois, the localities do not participate financially at all. Expenditures for public education, on the other hand, are largely locally financed.

In spite of the fact that state expenditures do not give us the complete picture, they do provide us with comparative data regarding state expenditures. Wisconsin, according to the table on page 20, spent 17 per cent of her funds on public welfare in 1941. This was, in fact, the largest single state expenditure. Schools claimed 15.9 per cent of the funds and highways 15.6 per cent. Per capita expenditures for public welfare amounted to \$5.82; for education and highways they were \$5.44 and \$5.35 respectively.

A larger percentage of total state revenues is allocated to public welfare in states with markedly liberal programs. Colorado, as illustrated in the table on page 21, has a liberal old age assistance program and as a result spends a larger percentage for public welfare than any other state. During 1941 Colorado spent 42.6 per cent of her funds for public welfare as contrasted with 10.2 per cent for schools and 19.2 per cent for highways. The per capita expenditures for these services were as follows: public welfare \$18.87, schools \$4.51, and highways \$8.48.

Another state with a fairly adequate, if not liberal, public welfare program is Utah. During 1941 Utah expended 32.8 per cent of her funds for public welfare, 29.1 per cent for schools, and 8.9 per cent for highways. Per capita expenditures were as follows: public welfare \$15.29, schools \$13.54, and highways \$4.13.²²

²⁰ In these reports public welfare has been restricted in meaning to public assistance (including general assistance) and related service programs. Expenditures for hospitals and correctional institutions are not included.

²¹ *Financial Statistics of States: 1941, Vol. 3, Statistical Compendium* (Washington: Government Printing Office, 1943), Table 13, pp. 24-25.

²² *Financial Statistics of States: 1941, Vol. 1, No. 27, Table 6, p. 5.*

New York, New Jersey, and Wyoming are "typical" states in the percentage distribution of their total state expenditures. During 1941 New York²² spent 17.4 per cent of total funds on public welfare, New Jersey²³ 14.9 per cent, and Wyoming²⁴ 17.2 per cent.

Public assistance, as has already been noted, is a cooperative federal-state-local matter. Approximately 60 per cent of the total costs for the social security aids comes from federal funds. Taking this fac-

Per Cent Distribution and Per Capita Expenditure of
General Funds of the State of Wisconsin by
Character and Major Function: 1941²⁵

CHARACTER OF EXPENDITURE AND FUNCTION	<i>Per Cent Distribution</i>		
	TOTAL EXPENDITURE	OPERATION COST	PER CAPITA *
Total	100.0	.....	\$38.56
Operation	88.8	100.0	34.24
General Control		3.0	1.02
Public Safety		1.8	.63
Highways		15.6	5.35
Natural Resources		4.1	1.39
Health		1.0	.35
Hospitals and Institutions for the Handicapped		5.6	1.92
Public Welfare (Charities)		17.0	5.82
Correction		1.2	.41
Schools		15.9	5.44
Libraries		.1	.04
Recreation		.2	.07
Contributions to Trust Funds		14.3	4.89
Contributions to Public Service Enterprises		.....	.....
Miscellaneous		20.2	6.91
Debt Service	5	.....	.20
Interest	3	.....	.10
Provision for Debt Retirement	.2	.....	.10
Capital Outlays	10.7	.....	4.12

* Computed on the basis of 1940 population figures.

²² *Ibid.*, No. 31, Table 6, p. 6. ²³ *Ibid.*, No. 30, Table 6, p. 6.

²⁴ *Ibid.*, No. 19, Table 6, p. 5.

²⁵ Bureau of the Census, Department of Commerce.

tor into consideration, it is self-evident that public welfare, from the point of view of expenditures, is one of our most important governmental services. This very important factor is even more significant when we recognize that public welfare has become a ranking governmental service, from a monetary point of view, only since the depression and the passage of the Social Security Act.

Public welfare is not important solely because of its expenditures. It is important chiefly because of the grants and services it renders to eligible citizens. But it should command respect in a country that is business-minded, for it is after all "big business."

Per Cent Distribution and Per Capita Expenditure
of General Funds of the State of Colorado
by Character and Major Function: 1941⁷⁷

CHARACTER OF EXPENDITURE AND FUNCTION	<i>Per Cent Distribution</i>		
	TOTAL EXPENDITURE	OPERATION COST	PER CAPITA *
Total	100.0	.....	\$50.64
Operation	87.4	100.0	44.27
General Control		4.3	1.91
Public Safety		2.1	.92
Highways		19.2	8.48
Natural Resources		2.8	1.25
Health		1.1	.49
Hospitals and Institutions for the Handicapped		4.3	1.91
Public Welfare (Charities)		42.6	18.87
Correction		1.5	.67
Schools		10.2	4.51
Libraries		**	.01
Recreation		**	.01
Contributions to Trust Funds		9.5	4.22
Contributions to Public Service Enterprises		.....	.....
Miscellaneous		2.3	1.02
Debt Service	7.3	.....	3.70
Interest	1.5	.....	.75
Provision for Debt Retirement	5.8	.....	2.94
Capital Outlays	5.3	.....	2.67

* Computed on the basis of 1940 population figures.

** Less than $\frac{1}{10}$ of 1 per cent.

⁷⁷ Bureau of the Census, Department of Commerce.

PROFESSIONAL SPIRIT

Modern public welfare is characterized by a definite professional spirit. Two major historical forces are responsible for our modern public welfare systems. One of these, the doctrine of public responsibility for the care of dependent persons which was established with the passage of the Elizabethan Poor Law in 1601, has already been mentioned. The second factor of prime importance is professional social work, particularly social case work. Social case work, with its emphasis upon the individualization of those in need of assistance and service by workers professionally qualified for that purpose, has supplemented and complemented the principle of public responsibility.²³

The spirit of professional social work is the very essence of our modern public welfare programs. In a democracy the individual is the source of social value, the mainspring of social wellbeing. Although public welfare has developed with great rapidity during the past decade, it has been guided by the professional goals of social work. To be sure, there are many public welfare workers who are not, in the strict sense of the word, professional social workers, and there are some public welfare agencies that have not been guided by the ideals of professional social work. In the main, however, public welfare has been characterized by the professional spirit of social work. In the future this emphasis will be continued and expanded.

GOALS OF PUBLIC WELFARE

The public welfare worker should never lose sight of his goals. The goals or objectives of public welfare can best be expressed in terms of individual reactions and relationships. The primary objective of the public welfare worker, like that of all social workers, is to provide care for those in need and to restore those in need to economic and social self-sufficiency. In so doing he is helping these individuals to maintain a sense of adequacy and security. In other words, he is an important agent for the preservation of a healthy social order and a stable government. The secondary objective of the public welfare worker is preventive: to eliminate the conditions which make individuals economically and socially maladjusted. This is truly a herculean task and calls for scientific appraisal of the social and economic problems in our society. While the individual worker

²³ Howard L. Russell, "Public Welfare," *The Social Work Year Book*, 1947, pp. 409-18.

may find it difficult to do much preventive work personally, it should always remain as a definite goal.

The public welfare worker needs to keep the goals of service before him without becoming visionary, and to be an efficient and competent administrator without being dictatorial and parsimonious. A study of the evolution of our modern public welfare systems should give the public welfare worker a rationale for our present programs and a basis for understanding present-day principles of administration.

Selected Bibliography

- Edith Abbott, *Public Assistance: American Principles and Policies* (Chicago: University of Chicago Press, 1940).
- Sophonisba P. Breckinridge, *Public Welfare Administration in the United States: Select Documents* (Chicago: University of Chicago Press, 1937).
- Blake McKelvey, *American Prisons* (Chicago: University of Chicago Press, 1936).
- I. M. Rubinow, *The Quest for Security* (New York: Holt, 1934).
- Marietta Stevenson and Alice MacDonald, *State and Local Public Welfare Agencies* (Chicago: American Public Welfare Association, 1939).
- R. Clyde White, *Administration of Public Welfare* (New York: American Book, 1940).
- Helen L. Witmer, *Social Work: An Analysis of a Social Institution* (New York: Rinehart, 1942).

2. Our English Poor Law Heritage

PAST, PRESENT, AND FUTURE

If one is to understand where we are today in public welfare and where we are apt to go in the future he must study past developments. Those who are interested in present-day public welfare in America are focusing their attention, even more than before, upon England. The doctrine of public responsibility for the care of dependent persons originated there, was nurtured there, and was transplanted from there to the American colonies. In presenting this summary of the history of poor relief in England the author does not propose to offer a definitive and exhaustive analysis of the subject. He is merely attempting to summarize what appears to him to be the significant highlights in this important aspect of social history. The purpose of this and the next chapters is to give a functional and operational perspective of past developments to the student of American public welfare administration.

GENESIS OF THE DOCTRINE OF PUBLIC RESPONSIBILITY

The Elizabethan Poor Law of 1601 is the logical starting point for the study of public responsibility for the care of dependent persons. This famous law, however, was preceded by other statutes of which one of the earliest was a proclamation, the Statute of Laborers, passed in 1349 in an attempt to regulate the "valiant beggars." These beggars, according to the Statute, were "giving themselves to idleness and vice" and citizens were warned not to "presume to favor" reward to them. The beggars were to be "compelled to labor for their necessary living." The Statute came into being because of the transition from feudalism to a wage economy. The increase in the volume of wage earners caused by this transition was accompanied by a new freedom but this freedom meant the loss of economic security that was given to a serf by his master. Thus when misfortune befell a liberated wage earner he often turned to begging or thieving. The landed gentry complained of these conditions for two reasons. In the first place, the lords were beginning to lose their control and dom-

inance over the laborers. In the second place, they were fearful of the potential menace to their property from wandering and idle vagabonds. Accordingly they secured the passage of this Statute.

Woolen manufacture, introduced by William the Conqueror with the importation of several Flemish weavers, had become a definite factor in English economic life by the time of Edward III. This industry accelerated the movement of workers from the country to the cities. In the opinion of Sir Frederick Eden this factor more than any other contributed to the dependency of city dwellers during this period.¹ The emancipation of the agricultural workers from the lords was heightened by a famine from 1315 to 1321 which materially decreased the number of workers. The result was a sharp increase in wages. Then the Black Death or plague swept England in 1348 and by 1349 had reduced the population by almost a third. A further increase in wages emancipated the workingman to such an extent that he virtually charged the wages he wished.² The Statute of Laborers attempted to change this situation to the advantage of the employers. It declared that those who gave alms to beggars would suffer imprisonment. All laborers were "to be compelled to labor for their necessary living."

English social legislation from 1349 to 1601 reflected the social and economic conditions of an era in English history when the life of the people was undergoing tremendous change. The manorial system had shifted from its medieval form and a movement known as "enclosures" which was connected with sheep raising had begun. As the demand for wool became greater it was found that sheep raising was not adapted to the one-field system. The sheep raiser proceeded to acquire, by fair or foul means, enough strips of land for the raising of additional sheep, thus displacing the small farmer and the agricultural laborer.

Henry VIII abolished the monasteries which had been for centuries the chief agencies for the relief of human distress with the result that begging and vagabondage increased throughout England. Parliament, in 1531, passed an act for the "punishment of sturdy vagabonds and beggars." An Act of 1536 was patterned upon this Act of 1531.

Under the later Act individual parishes became responsible for the maintenance of their poor. It distinguished between those "such as be lusty, having their limbs strong enough to labour" and the "poor,

¹ Sir Frederick Morton Eden, *The State of the Poor*, abridged and edited by A. G. L. Rogers (New York: Dutton, 1921), pp. 1-10.

² William Cunningham, *The Growth of English Industry and Commerce* (Cambridge: The University Press, 1890), pp. 304-05.

impotent, sick and diseased people not able to work." "Sturdy vagaboundes" if apprehended were to be whipped, furnished with a letter stating this fact, and sent to their own parishes. The Act also provided for apprenticing children into service.

As Sir George Nicholls observed, several provisions of this comprehensive statute went a long way toward creating a parochial machinery for the relief and management of the poor.³ Sir Frederick Eden, on the other hand, thought that these provisions showed that the legislators possessed very little knowledge of political economy.⁴ This assumption is undoubtedly based upon the belief that the so-called "Reformation Parliament" of Henry VIII left many discernible traces of ecclesiastical action and the legislators took advantage of the parochial administrative machinery that was available.

One of the prominent features of these vagrant Acts of 1531 and 1536 is their inhumanity. So extreme a measure as death was the punishment for a repetition of begging. Nevertheless they contained a number of constructive features. For example the Act of 1536 made provision for the relief of the impotent poor. Also the parishes were to be held to some extent responsible for the relief of the poor; it provided that children who had no means of support were to become charges of the community; and it provided the framework for public responsibility for the care of dependent persons. The Elizabethan Poor Law was based, in large part, upon the constructive measures of the Act of 1536.

Between 1536 and 1597 there were sporadic attempts in parliament to meet new social and economic problems. The situation became aggravated between 1594 and 1597 because of the scarcity of corn. Prices increased in some instances four- and five-fold. There were numerous disturbances and protests and the existing agencies for the relief of destitution were severely strained. In 1597, an act was passed which contained the main principles of the Elizabethan Poor Law of 1601.⁵ A significant change in terminology occurred between 1536 and 1597. The Act of 1536 was styled "An Act for the Punishment of Sturdy Vagaboundes and Beggars" whereas the Act of 1597 was for the "Relief of the Poor." This Act provided for the appointment of overseers of the poor in every parish. The overseers were empowered to raise weekly by taxation a sum of money suffi-

³ Sir George Nicholls, *History of the English Poor Law* (London: John Murray, 1854), p. 124.

⁴ Eden, *op. cit.*, pp. 10-12.

⁵ E. M. Leonard, *History of English Poor Relief* (Cambridge: The University Press, 1900), pp. 67-125.

cient for the necessary relief of the lame, impotent, aged, blind, and for apprenticing dependent children. This Act also enunciated the doctrine of family responsibility.

ELIZABETHAN POOR LAW, 1601

The well-known Act of Elizabeth fully established as public policy that the state was responsible for the care of dependent persons. Earlier statutes aimed at little beyond the suppression of mendicancy and vagabondage by the infliction of severe and often cruel punishments. At the same time a conviction was growing that the problems had to be dealt with in more fundamental fashion. For more than three quarters of a century there had been a great deal of agitation in favor of more positive remedies for the relief of the poor. The *Utopia* of Sir Thomas More (1516) was one of the earliest appeals for reform. Hugh Latimer, Bishop of Worcester, and Nicholas Ridley, Archbishop of Canterbury, were also moving spirits in the demand for reform.

The major provisions of the Elizabethan Poor Law were as follows:

1. Overseers of the poor were to be appointed annually by the justices in each parish. In addition to church wardens the overseers were to include from two to four "substantial householders."
2. Able-bodied persons who had no means of support were to be set to work.
3. Funds necessary for carrying the act into operation were to be raised by taxing every householder.
4. Power was given to the justices to raise funds from other parishes in the vicinity or even within the same county if insufficient funds were available locally.
5. Overseers were authorized with the consent of two justices to bind out poor children as apprentices. A "woman childe" could be bound to the age of twenty-one or marriage, a "man childe" to the age of twenty-four.
6. Local authorities, with the consent of the lords of manors, were empowered to erect workhouses on waste lands. The cost of the building was to be borne by the parish or the county.
7. Legal responsibility for maintaining parents, grandparents, and children was continued. The mutual responsibility for parents to support children was extended to grandfathers and grandmothers.
8. Justices were authorized "to commit to the House of Correction or common gaol, such poor person as shall not employ themselves to work, being appointed thereto by the overseers."

A number of scholars have declared that the Poor Law of 1601 was merely a re-enactment of the Act of 1597.⁶ While it may be true that the basic principles of poor relief did not originate with the Elizabethan Poor Law of 1601, it should be borne in mind that it set up for the first time an effective system of administration. Poor relief had previously been recognized as a matter for public concern, but the Law of 1601 placed its operation in the hands of the parishes and set up a definite system of obligatory financing. Furthermore it enunciated three specific classes to be relieved: the dependent children, the able-bodied unemployed, and the infirm. Also the kind of assistance to be given to each group was specified.

Public responsibility for the care of dependent persons was accepted only after long and careful parliamentary consideration. The problem was studied during 1597-1598 and the conclusions reached by the legislators were the basis for the Law of 1601. Early in the sessions of 1597 Sir Francis Bacon spoke at great length regarding the evils of enclosures and the depopulation of towns and "houses of husbandry and tillage." Sir Francis, having been appointed to the committees dealing with bills for the relief of the poor, was in a strategic and influential position. In fact there are some who credit him with the authorship of the Law of 1601.⁷

Thus, the principles of the Elizabethan Poor Law were based upon past experience and were not the result of sudden thought. From all available evidence it appears that the Law was quite effective in the first decades of its history. The poor were taken care of, each parish secured a stock of flax to provide labor for the unemployed, and the justices were apparently diligent in the apprenticing of children. In the majority of the parishes throughout England the whole of the Elizabethan Poor Law was put into operation.⁸

These results were not gained through exclusive reliance upon local administration. Many historians have pointed out the great influence of the privy council until approximately 1640 upon the administration of poor relief in the localities. The privy council was composed of councilors selected by the King, and he delegated to it many administrative and supervisory powers.

⁶ See, for examples: Edith Abbott, *Public Assistance: American Principles and Policies* (Chicago: University of Chicago Press, 1940), p. 3; Leonard, *op. cit.*, p. viii; Nicholls, *op. cit.*, p. 197; and H. W. Perrigo, *General Relief in Wisconsin, 1848-1935* (Madison: State Public Welfare Department, 1939), p. 3.

⁷ See, for example, Sophia Lonsdale, Lecture I in *The English Poor Laws* (London: King, 1897), pp. 3-25.

⁸ Leonard, *op. cit.*, p. 192.

THE ACT OF SETTLEMENT, 1662

The Elizabethan Poor Law remained the policy of England for more than fifty years without any important modifications.⁹ "An Act for the Erecting of Hospitals and Working-Houses for the Poor" was passed in 1624, but it did not substantially modify the Law of 1601. The first important alteration was effected during the reign of Charles II when, in 1662, the Settlement Act was passed.

The Law of Elizabeth reflects the enlightened spirit of the times, but the Act of Charles II was characterized by a definite partisan spirit. It has been stated that the Act of Settlement was pushed through all the stages of legislation without parliamentary or public hearings, merely because the representatives of London and a few wealthy landlords were interested in its passage.¹⁰

The preamble declared that "the necessity, number, and continual increase of the poor, not only within the cities of London and Westminster, but also through the whole kingdom is very great and exceedingly burdensome." By "reason of some defects in the law," it continued, "poor people are not restrained from going from one parish to another, and therefore do endeavor to settle themselves in those parishes where there is the best stock, the largest commons or wastes to build cottages, and the most woods for them to burn and destroy; and when they have consumed it, then to another parish, and at last become rogues and vagabonds . . ."

The Act set up a system for dealing with these individuals. Upon a complaint made by the church wardens or overseers of the poor within forty days after an undesirable person entered a community they could "remove and convey such person or persons where he or they were last legally settled . . ." An individual did not have to request assistance in order to merit removal. He merely had to appear "likely to be chargeable to the parish" or settle on any tenement "under the yearly value of ten pounds" rental. Thus the Act represented an intellectual and social retreat to the days of serfdom and feudalism.

The Act of Settlement was undoubtedly a logical consequence of the parochial system of poor relief established in 1601. Inasmuch as the parishes were responsible for the relief of destitution they wanted

⁹ Karl de Schweinitz, *England's Road to Social Security* (Philadelphia: University of Pennsylvania Press, 1943), p. 39.

¹⁰ See Thomas Mackay, *History of the English Poor Law*, Vol. III (London: King, 1899) and Benjamin Kirkman Gray, *A History of English Philanthropy* (London: King, 1905).

to be certain they were supporting their own poor. Nevertheless there appears to be very little evidence that the poor were wandering from locality to locality in search of the best relief grants. George Coode, Assistant Secretary to the Poor Law Commissioners of 1834, and an authority on the subject of legal settlement, wrote that "a laborious search has discovered no other references to this class of disorders." He was referring to "all the lamentations of the degeneracy, the vices, and the crimes of the poor with which the literature of the times abounded." Coode's report which was presented to parliament described the Act of Settlement as a "fortuitous medley." He showed that the bill was framed chiefly by the metropolitan members who were naturally desirous of being relieved from the continually increasing number of poor within the cities. He cites the restriction of the power of removal to individuals occupying tenements "under the yearly value of ten pounds" as proof of the metropolitan origin of the Act. The rental of cottages of the poorer workers at that time usually did not exceed twenty shillings and those of skilled workers and tradesmen were not often two or three times that sum.¹¹

The injurious effects of the Act of Settlement were noted by many persons. Adam Smith stated that "the very unequal price of labour which we frequently find in England in places at no great distance from one another, is probably owing to the obstruction which the law of settlements gives to a poor man who would carry his industry from one parish to another without a certificate . . . Though men of reflection too have sometimes complained of the law of settlements as a public grievance, yet it has never been the object of any public clamour, such as that against general warrants, an abusive practice undoubtedly, but such a one as was not likely to occasion any general oppression. There is scarce a poor man in England of forty years of age, I will venture to say who has not in some part of his life felt himself most cruelly oppressed by this ill-contrived law of settlements."¹²

Sir Frederick Eden in his *State of the Poor* explained how the Act of Settlement was used to the disadvantage of the most industrious workmen.¹³ Richard Burn, author of the first history of the poor laws, commented upon the "extraordinary lookout" maintained by the justices "to prevent persons coming to inhabit without certificate,

¹¹ *Report of George Coode to the Poor Law Board on the Law of Settlement and Removal, Being a Further Report in Addition to Those Printed in 1850, 1851*, pp. 188-253.

¹² Adam Smith, *The Wealth of Nations* (Cannan Ed.), Book I, pp. 140-41.

¹³ Eden, *op. cit.*, pp. 28-30.

then to caution all the inhabitants not to let him a farm of ten pounds a year."¹⁴

In spite of the obvious injustice inflicted by this Act it was not until 1795, after more than a century and a quarter of stormy controversy, that it was amended. This amendment made it possible for a new-comer to a parish to occupy property of less than ten pounds yearly rental. It provided further that such an individual could be removed only after he had actually made application for relief. As Dr. de Schweinitz has noted, this may have improved the lot of the industrial worker but it was still an injustice to the relief recipient.¹⁵

WORK RELIEF AND WORKHOUSES

The punitive and harsh Act of Settlement fortunately did not set the pattern for all subsequent poor law legislation. In fact soon after its passage, Parliament became interested in a movement to employ the poor that was positive in approach and optimistic in tone. Numerous private and public efforts to relieve the unemployed by placing them at useful work appeared in England. As in the case of our recent work-relief history these efforts were prompted by laudable but contradictory motives. It was argued that national prosperity could result from the labors of the able-bodied poor. It was also believed by many that it was better from a moral point of view to have the able-bodied work for what they received.

Historically the interest in setting the able-bodied poor to work coincides with a marked industrial development in England. Throughout the latter part of the seventeenth century many authors and pamphleteers wrote about the necessity for increasing the productive capacity of Great Britain. Most of the writers believed that England should stop exporting wool and should henceforth manufacture her own woolen goods. The workers for the woolen industry and other industries, particularly mining, fishing, and shipping, were to come from the ranks of the poor. The poor would then be enabled, through their wages, to purchase additional manufactured goods. Therefore relief would become unnecessary because everybody would either be working or training for work. Examples had presumably been set by the thrifty and shrewd Dutch who had amassed great profits from turning raw products into finished articles, and at the same time virtually eliminated begging.¹⁶

¹⁴ Richard Burn, *The History of the Poor Laws: With Observations* (London: Millar, 1764), p. 211.

¹⁵ de Schweinitz, *op. cit.*, p. 44.

¹⁶ Dorothy Marshall, *The English Poor in the Eighteenth Century* (London: Routledge, 1926), pp. 15-56.

It was assumed by the proponents of this theory that the poor were to be placed in workhouses. These houses were to provide the stocks of goods, the skilled supervisors, and offer the necessary training. It should be noted that these ideas were not those of utopian dreamers, but of businessmen. One of these was Sir Matthew Hale, Lord Chief Justice, whose *Discourse Touching Provision of the Poor* was first published in 1683 after his death. He proposed that the justices of the peace, at the quarter sessions, divide the parishes into several divisions in each of which would be established a workhouse: Then the justices would furnish the stock and provide the necessary facilities for instructing the dependent adults and children in trade or work. "By this means," declared the learned Chief Justice, "the wealth of the nation will be increased, manufactures advanced, and everybody put into a capacity of eating his own bread . . ." In conclusion he stated that "we may reasonably suppose, that in seven years, by the blessing of God, the very offspring that will be able and fit to work, of poor families, will be more than double to what they are now; which will continually increase in a kind of geometrical progression, whereby there will be enough for double the employment that is now for them."¹⁷

A very unusual gentleman, Thomas Fermin, actually put these theories into effect. Fermin was a merchant and philanthropist who described his scheme in a public letter entitled, *Proposals for Employing the Poor, Especially in and about London*. A similar project was undertaken under public sponsorship in Bristol. In 1699 a special act of parliament re-established a corporation which was responsible for the granting of assistance and providing employment for the poor. John Carey, one of the promoters of this enterprise, was quite enthusiastic. He declared that "success hath answered our expectations; we are freed from beggars . . . and the fact is our city is so changed that we have great reason to hope these young plants will produce a virtuous and laborious generation."¹⁸

The experiments in Bristol as well as those in Aldersgate resulted in failure. In general, however, they created a favorable public opinion and workhouses were soon established in many communities in England. The moral value of employment for the poor appealed to people, likewise the prospect of employment at a profit fascinated the tax-paying public.

¹⁷ Sir Matthew Hale, *A Discourse Touching Provision for the Poor* (London: Shewsbury, 1716), p. 109.

¹⁸ John Carey, *An Essay Toward Regulating the Trade and Employing the Poor of This Kingdom* (London: 1699), appendix.

The belief in work for the poor as moral therapy was not weakened because these attempts were failures. It merely resulted in a change of programs. A law was passed in 1722 which illustrates this change in philosophy. It authorized the overseers of the poor to establish workhouses. In addition the overseers were to contract with private individuals for the care and the employment of the poor in these houses. A new note of harshness was introduced with this law; the overseers were to refuse assistance to any person who did not enter one of the workhouses.

Institutions for the care and the employment of the poor did not represent a startling innovation. Hospitals, houses of correction, and almshouses were well known in England. Before the Reformation and the seizing of the church institutions under the reign of Henry VIII these were the only agencies for the care of dependent persons. The Law of 1772, however, embodied harshness in policy and cynicism in social philosophy. Basically it assumed that men were inherently lazy and that they should be forced to work for the assistance they received.

The well-known author, Daniel Defoe, expressed this cynicism when he wrote, "Tis the men that won't work, not the men that can get no work, which makes the number of our poor."¹⁹ John Locke believed that the vast number of idle poor were caused by "nothing else but the relaxation of discipline and corruption of manners."²⁰ Bernard Mandeville in his *Essay on Charity and Charity Schools* emphasized that "it was impossible that a Society can long subsist, and suffer many of its members to live in idleness . . . Going to school in comparison to working is idleness. Men who are to remain and end their days in a laborious, tiresome, and painful station in life, the sooner they are put upon it at first, the more patiently they'll submit to it for ever after."²¹

The passage of the Law of 1772 resulted in the immediate building of workhouses. It has been estimated that within ten years after it was passed more than one hundred workhouses were erected in and around London.²² The workhouses, according to contemporary descriptions, were drab and dreary places, with coarse food and unattractive living quarters. Rigid discipline was exacted, attendance

¹⁹ Daniel Defoe, *Giving Alms No Charity and Employing the Poor a Grievance to the Nation* (London: 1704), p. 20.

²⁰ John Locke, *Board of Trade Papers* (London: 1697).

²¹ Bernard Mandeville, "Essay on Charity and Charity Schools" in *Fable of the Bees* (London: 1723).

²² de Schweinitz, *op. cit.*, p. 60.

was required at numerous religious services and daily prayers, and the day's activities were severely organized. Penalties included the usual devices of the time: stocks and whipping.

It should be remembered that the law gave to the overseers the right to refuse relief to anyone who was not willing to enter the workhouse. All members of the family had to accompany the father. The poor people quite naturally were willing to undergo almost any hardship rather than submit to the regime of the workhouse.

This did result in economies. The system was so repulsive to potential inmates that many preferred to remain in poverty rather than move to the workhouse. According to one account, "We have many here who would choose to starve, rather than be maintained . . . in the House of Correction."²³ In some communities the poor were given a choice of residence in the workhouse or a much smaller grant on outdoor relief. Many families, of course, chose the smaller allowance, resulting in additional public economies. Some of the ardent supporters of the workhouse system believed that it was cheaper to give "indoor" relief than "outdoor" relief. Subsequent experience, however, was to prove this conclusion untrue.

Definite reductions in expenditures for the care of the poor were evident in the parishes. Sir Frederick Eden showed that initial savings from the introduction of the workhouse system were found in Bristol, Maidstone, St. Andrews, and Halborn.²⁴ These savings were secured at the expense of human security and happiness. At their best the workhouses provided "existence for the inmates . . . barely tolerable" and at their worst they were "cotton mills." In most of them the sick and poor, the young and old, the feeble-minded and those of normal intelligence were herded together, the only separation being on the basis of sex. Ultimately public opinion turned against the workhouse.²⁵

The indictment of this system was carried on by crusaders such as the eccentric Jonas Hanway, who spent years visiting workhouses and presenting his facts to the public. Parliament finally recognized the problem when in 1767 a committee of the house of commons studied the problem of children in workhouses.

Nevertheless the system continued and in some respects became worse rather than better. A provision in the Law of 1722 permitted

²³ Anonymous, *An Account of Several Workhouses for Employing and Maintaining the Poor* (London: 1732), p. 128.

²⁴ Eden, *op. cit.*, pp. 150-52.

²⁵ Gilbert Slater, *Poverty and the State* (New York: Smith, 1930), pp. 64-65.

the parishes to contract with individuals for the care of dependent persons. In many parishes the poor were literally farmed out to successful bidders. The terror of the workhouse then became matched with the prospect of employment at contract labor, often under the supervision of someone intent upon a fat profit and providing only the bare essentials to the workers.

Numerous critics joined those who condemned the system. One of the most ardent of these was Thomas Gilbert, a member of parliament. Finally he succeeded in securing the passage of a law, known as "Gilbert's Act," in 1782, which repealed the portion of the law permitting the contracting of the poor.

"Gilbert's Act" in effect repealed the Law of 1722. The entire approach was reversed; instead of forcing the able-bodied poor to go to workhouses, they were now to be provided with assistance in their own homes until suitable employment could be secured for them. So once again the doctrine of public responsibility for the relief of human destitution became positive in approach.²⁶

POOR LAW USED TO SUPPLEMENT WAGES

After the unsuccessful effort to force the able-bodied poor into workhouses, the poor law system reverted to one of its original purposes, the regulation of labor and the control of wages. The second half of the eighteenth century was one of pronounced economic changes which resulted in an increased volume of poverty. This period was similar to the sixteenth century. During the sixteenth century the manorial and guild systems had begun to decay and the agricultural population was subjected to almost revolutionary changes. Enclosures which came about as the result of extensive sheep raising began to displace the old medieval three-field system. Recurring periods of famine and food scarcity arising from successive crop failures, the beginnings of merchant capitalism with attendant worker insecurity, and inflation due to the debasement of the coinage as a result of an influx of gold from the Spanish colonies heightened the socio-economic maladjustments of the period.²⁷

In the last half of the eighteenth century an increase in the movement toward enclosures caused much suffering, but it did not stop the landed gentry from introducing act after act in parliament for the enclosure of the commons and turning them from public to private

²⁶ de Schweinitz, *op. cit.*, pp. 67-68.

²⁷ R. H. Tawney, *The Agrarian Problem in the Sixteenth Century* (London: Longmans, Green, 1912), p. 268.

uses. Subsistence farming was rapidly giving way to the large-scale operations of a landed aristocracy. The small farmer lost his land, the common land upon which his cow grazed, his fuel supply, and land for hunting game. He found himself a squatter and in many cases a vagabond.²¹

A complementary development was also occurring in domestic manufacturing. The use of steam power was bringing cotton into favorable competition with wool. Manufacturing concentrated more and more in cities where steam or water power was available. An additional blow was thus delivered against the rural laborer; not only was he thrown out of work on the farm but he was also denied the opportunity of working in his own home as a weaver. His only alternative was to move to town and live as a laborer.

The late eighteenth century was a period of increasing prices, and as usual the rise in wages did not keep pace with the accelerated cost of living. The landed gentry and the manufacturers had to do something if they wished to enjoy their new-found prosperity. Also the poverty-stricken laborer had to be assured of enough bread to eat or production would slump.

A simple expedient would have been to increase wages, but the historical roots of the poor law offered an easier avenue of escape. The Statute of Laborers, enacted in 1349 and considered by many the starting point of English poor relief, fixed a maximum wage. Likewise the Act of 1563 had empowered the justices to limit the rate of wages; so did a similar law passed in 1604.

Accordingly a group of justices met at the Pelican Inn in Speenhamland, May 6, 1795. They proposed a maximum wage system with a subsidy from the poor law. The rate of wages was to be adjusted to meet the high price of corn. The justices did not propose to raise wages, but to use a "table of universal practice" to supplement low wages with poor relief. They drew up a simple but ingenious scale; when a loaf of bread sold for one shilling, enough poor relief would be added to bring the laborers' wages up to three shillings. A wife added a shilling, and a child two shillings.

This system, known as the Speenhamland Act, was introduced into Berkshire and spread quickly throughout the realm. Parliament graciously facilitated the spread of the system in 1795 by permitting justices to order relief to any industrious person at his home. In order to assure the permanence of the plan the house of commons

²¹ See J. L. and Barbara Hammond, *The Village Labourer, 1760-1832* (London: Longmans, Green, 1912).

voted down a proposal of Samuel Whitebread in 1796, which would have established a minimum legal wage.²⁰

The Speenhamland system was partly responsible for the storm of criticism against the entire poor law policy that was unleashed by the so-called classical economists. The system also led to the apt saying "that we could have as many poor as we are willing to pay for."

In addition to this system, other plans were tried, but they were variations of the same theme. All the plans calling for allowances in support of wages were detrimental, to both the individual recipient and the taxpayer. Employers were permitted to pay low wages and have them supplemented by the state. The effect was to lower wages and the standard of living of the wage-earning class. Individual workers often had no choice; they were forced to accept poor relief because of the low wages paid for full-time employment.

The reaction against the use of the poor law to supplement low wages was so pronounced that it led once again to the virtual elimination of outdoor relief. The reforms of 1834 were written by the classical economists who were among the bitterest opponents of the economic restrictions of the Speenhamland system. Their revolt against the system was based primarily upon economic rather than humanitarian principles. The results of their reforms were retrogressive rather than progressive and they delayed for more than seventy-five years the development of a positive public policy for the relief of human destitution.

Selected Bibliography

Richard Burn, *The History of the Poor Laws: With Observations* (London: Millar, 1764).

Karl de Schweinitz, *England's Road to Social Security* (Philadelphia: University of Pennsylvania Press, 1943).

Sir Frederick Morton Eden, *The State of the Poor*, Abridged and edited by A. G. L. Rogers (New York: Dutton, 1927).

Benjamin Kirkman Gray, *A History of English Philanthropy* (London: King, 1905).

E. M. Leonard, *History of English Poor Relief* (Cambridge: The University Press, 1900).

Thomas Mackay, *History of the English Poor Law*, Vol. III (London: King, 1899).

Dorothy Marshall, *The English Poor in the Eighteenth Century* (London: Routledge, 1926).

Sir George Nicholls, *The English Poor Law* (London: Murray, 1854).

Gilbert Slater, *Poverty and the State* (New York: Smith, 1930).

²⁰ *The Parliamentary Register*, Vol. XLIV (London: 1796), pp. 25-26.

3. Our English Poor Law Heritage (*Continued*)

POOR LAW ADMINISTRATION PRIOR TO 1834

The art of public welfare administration was virtually undeveloped between 1601 and 1834. Many of the worthwhile achievements during this period — work relief, administration through unions rather than parishes, and institutional care for the impotent — were seriously handicapped by the current inadequacies in administrative know-how. When one considers the inadequate and often incompetent administration of the English Poor Law it is remarkable that it had an uninterrupted history from 1601 to 1834. The tenacity of the poor laws was not due to their efficient and effective administration. Their longevity can be accounted for only by the persistent and complicated problems associated with wage security in an emergent industrial society.

By 1834 the British had begun to be interested in efficient administration in government. During the first part of this period government was the paternalistic obligation of the ruling class, during the last century of the period the leading thinkers looked upon all forms of interference with "natural economic laws" as undesirable.

Herbert Spencer's ideas were typical of the nineteenth century. Spencer believed that the government of an industrial society should be only negatively regulative. In illustration of his theory of the proper scope of governmental action he made numerous references to the poor laws. The hardships of the poor he ascribed primarily to "over-legislation."¹ Under such an intellectual atmosphere it was impossible to develop a positive and scientific approach to public administration.

Furthermore the unit for poor relief administration was too small. There were 15,000 parishes with an average population of less than 1000 during the latter part of this period. It should be noted that from 1601 through 1639 the privy council exercised national leadership in the administration of poor relief. This leadership, although of marked importance during those years, may be considered an administrative aberration. In general the administration of the poor

¹ Herbert Spencer, *Principles of Sociology* (London and New York: Appleton, 1916), Part V, Chap. XVIII.

laws in England from 1601 to 1834 was a prime example of extreme localism. This localism was increased by the Act of Settlement in 1662.

Many fair and discriminating critics complained of the inefficiency of relief administration during this period. Sir George Nicholls wrote about the "inefficiency of individual judgment" for deciding upon the claims and representations of applicants.² Dr. Richard Burn pictured many who were unfit for the office of overseer. Some were "ignorant and inexperienced," others unwilling "to disoblige their neighbors," and "all of them wanting to get over the office, with as little trouble to themselves as possible."³ The most scathing criticism was offered by Sidney and Beatrice Webb writing some hundred years later. They found the system to be not only inefficient but also corrupt. "There was no end to fraud . . . Every workhouse was a center of embezzlement . . . Receipts extorted from fathers of illegitimate children were systematically embezzled . . . Every contract was shamelessly jobbed . . ."⁴

As the Webbs themselves point out it is unfair to judge ancient poor law administration by twentieth-century standards of performance and efficiency. But the corrupt nature of that administration was no more excusable from 1601 to 1834 than it would be today.

The administration during this period stands indicted for inefficiency and incompetence both according to standards of the time and in light of modern procedures. It is no wonder then that it turned once again, with the reforms of 1834, to the workhouse as the chief medium of assistance and service.

REFORMS OF 1834

Criticism of the poor laws continued. The Speenhamland system led to a precipitous rise in the tax rates. Between 1760 and 1818 poor relief expenditures had increased sixfold. In 1832, with a population twice that in 1760, poor relief rates were five and one-half those of 1760. There were also loud and bitter complaints regarding the lessened craftsmanship and the deterioration of the quality of labor. With two "bosses" — their employers and the overseers of the poor — the laborers considered themselves to be half

² Sir George Nicholls, *A History of the English Poor Law* (London: King, 1898), Vol. II, p. 15.

³ Richard Burn, *The History of the Poor Laws: With Observations* (London: Millar, 1764), p. 210.

⁴ Sidney and Beatrice Webb, *English Poor Law History: Part I, The Old Poor Law* (London: Longmans, Green, 1927), pp. 424-25.

slave. The Act of Settlement which froze the worker to the locality of his birth added to his feeling of dejection and indifference.

As a result of the critical state of affairs a Royal Commission for Inquiry into the Administration and Practical Operation of the Poor Laws was created in February, 1832. This Commission, dominated by the philosophy of classical economics, embarked upon its work intent upon abolishing the use of poor relief to subsidize wages. Their inquiry was thorough, dramatic, and forceful. The fruits of their labors were quite unique in the annals of social legislation; parliament accepted their recommendations and enacted them into law, virtually without change.

Two principal recommendations were enacted into law: the establishment of a national supervisory authority to combine parishes and improve the standards of local administration; and a prohibition against granting assistance to able-bodied persons except in workhouses.

The report held poverty to be due to the moral inadequacies of the individual. An essential corollary of this was the doctrine of "less eligibility." It was held that the condition of the poor ought on the whole to be less eligible or less desirable than that of the lowest paid individual laborer. Relief would not be denied to the poor, but it would be given under such circumstances that the recipients would be encouraged to improve their moral outlook and their economic condition.

As soon as the new law was passed in 1834 three Poor Law Commissioners were appointed. They were men of first-rate intellectual and administrative capacities. Thomas Frankland Lewis had been a member of parliament for more than twenty years; Sir George Nicholls, retired banker and sea captain, had been an overseer of the poor and later wrote an authoritative history of the poor laws; and George Shaw-LeFevre was a civil servant. The Secretary was the energetic and capable Sir Edwin Chadwick who had written the Report of 1834 in collaboration with the classical economist, Professor Nassau W. Senior. George Coode, later an authority on the Act of Settlement, was appointed Assistant Secretary.

The Commissioners set upon their tasks with high zeal and optimism. Nine Assistant Commissioners, who actually served as field investigators, were appointed. A series of orders, which were later codified into the Outdoor Relief Prohibitory Order, were issued prohibiting assistance to the able-bodied outside of workhouses. The Commissioners also had been given authority to stimulate the parishes to unite into unions for the administration of workhouses.

Within three years after the passage of the Law, 13,264 or 90 per cent of the parishes had combined into 568 unions. Furthermore the Commissioners attempted to put into effect the doctrine of "less eligibility."

Reductions in poor relief expenditures were immediately apparent. By 1837 the cost of poor relief had been reduced by at least one-third as compared with 1834. Except for periods of depression such as 1848, costs continued to decline and by 1853 costs were 20 per cent less than in 1834 despite a population increase of 25 per cent.

The repressive policies of the Commissioners which were not new have to be balanced with the improvements that resulted from uniform national policies. Although the Commissioners were referred to as "the three bashaws of Somerset House" who issued bureaucratic decrees to the operators of "bastilles" (workhouses) they did supervise poor law administration on the basis of rules and regulations rather than in accordance with the personal whims and fancies of local officials. Their basic policies were stern but the law they administered was stern.

Sir Edwin Chadwick, the Secretary who was later to become even more important as the father of the public health movement,⁵ added to the difficulties of the Poor Law Commissioners. Sir Edwin disagreed with them in regard to many policies and their methods of operation. He was unquestionably correct in many assumptions but his crusading zeal and his boundless energy aggravated the Commissioners and local officials. This situation was a liability to the Poor Law Commission. With no official spokesman in the house of commons the Commissioners were unable to present their point of view. Parliament as a consequence legislated the Commissioners out of existence and created the milder Poor Law Board in 1847.⁶

With the coming of this Board national leadership declined and localism regained the initiative. The quality of administration deteriorated and its spirit became callous. The stage was set for further changes.

THUNDER FROM THE RIGHT AND LEFT

The reforms of 1834 did not satisfy the economists who were interested in classical purism. Their ideal, as we have previously noted,

⁵ Dorsey D. Jones, *Edwin Chadwick and the Early Public Health Movement in England* (Iowa City: Studies in the Social Sciences of the State University of Iowa, 1931).

⁶ Karl de Schweinitz, *England's Road to Social Security* (Philadelphia: University of Pennsylvania Press, 1943), pp. 128-38.

was the abolition of public and private charity. Poverty had become in their opinion virtually a crime. Professor Henry Fawcett, member of parliament and later Postmaster General, emphasized that "too much is done for those who make no proper effort to help themselves." Public poor relief according to Professor Fawcett was almost as sinful as that plague of society, the demand for free education. The demand for poor relief and public education "simply show how many there are who will always try to escape from the responsibility of their own acts."¹

Nevertheless humanitarians such as Charles Dickens, whose *Oliver Twist* with its descriptions of workhouses was first published in 1837-1838, wrote about the pitiful condition of the poor. Although Dickens' influence upon poor law administration was not pronounced it kept alive an important spark of criticism. The humanitarians became significant only when they proposed an alternative to the poor relief system; this they did with the establishment of the Charity Organization Society.

Hard times were felt in London during the winter of 1861. Sensitive people were appalled at the great distress of the poor. The conditions of that winter extended over a relatively long period because of the "cotton famine" resulting from the American Civil War. By 1866 England was contending with a major business depression and the poor law system was unable to meet the requirements of the times. Numerous private organizations sprang up to cope with the problem. The need for cooperation among these agencies was pronounced and it led in 1869 to the formation of the Society for Organizing Charitable Relief and Repressing Mendicancy, which later became the Charity Organization Society. It offered, without charge, central registration of all charity cases and investigations for the various relief-giving agencies. Ultimately it became a relief-giving society in its own right.

The Charity Organization Society was a vigorous new development fostered by many of the ablest people in London. It left a pronounced impact upon public poor law policy. In the very year in which it was founded George J. Goschen, President of the Poor Law Board, issued a memorandum on "how far is it possible to work out a separation of the Poor Law and charity respectively, and how is it possible to secure joint action between the two." The Society had the stamp of classical economics on a rather high humanitarian level. Personal responsibility of the dependent person for his socio-economic plight

¹ Henry Fawcett, *Pauperism: Its Causes and Remedies* (London and New York: Macmillan, 1871), pp. 56-57.

was emphasized. Hence the Society opposed any further extension of government in the field of poor relief. In fact it gave strong support to the campaign for minimizing public expenditures for poor relief.

The influence of the Society was not entirely negative. Its leaders expressed the importance of investigation of each case. The goal of investigation was not merely the elimination of impostors but also the diagnosis of the true causes of maladjustment and destitution. Its leaders, Octavia Hill, Frederick Denison Maurice, Sir Charles Loch, and the others were interested in the practice of social-case work in the administration of private charity. The writings of Sir Charles Loch in particular, "clearly mark the transition from the ideology of poor relief to that of social-case work."⁸

As has been noted previously modern public welfare administration is characterized by a distinctly professional spirit. The professionalization of public welfare is directly traceable to the development of social-case work. So in spite of the desire of the Society advocates to minimize or abolish public poor relief, they eventually provided it with a tool for greater service and expansion.

The period between the Royal Commission of 1834 and the Royal Commission of 1909 was one of great activity by working-class people. The earliest example was the Chartist Movement, a purely working-class movement whose immediate objective was political reform and whose ultimate objective was social regeneration.⁹ The Chartists drew up a People's Charter, a draft of an act to be presented to parliament. The provisions of the Charter fell into six categories: universal manhood suffrage, voting by ballot, continual redistribution of parliamentary districts based upon census returns, parliament to be summoned and elected annually, no qualification for election to parliament (e.g., ownership of property) other than being an elector, and salaries for members. In all the Chartists presented three petitions to parliament; one presented in 1839 with one and a quarter million signatures, one in 1842 with three and a quarter million, and one in 1848 with two million.

Anti-poor law agitation passed in large measure to the Chartists. During the summer of 1838 they called meetings in protest of the reforms of 1834. Soon, however, poor law agitation sank into the background and they became concerned almost exclusively with political

⁸ Harry Elmer Barnes and Howard Becker, *Social Thought from Lore to Science* (Boston: Heath, 1938), Vol. I, p. 624.

⁹ Mark Hovell, *The Chartist Movement* (Manchester: The University Press, 1925), p. 1.

reform. From the point of view of immediate results the Chartist movement was unproductive. In the long run, however, the movement was by no means a failure. The political principles of the Charter have gradually become accepted aspects of the British constitution. As a negative policy of protest against the Poor Law of 1834 the Chartists left their stamp.

Christian Socialism was a force of consequence during this period. One of its central characters was Frederick Denison Maurice who was also associated with the London Society. Maurice was one of the truly great spiritual figures of nineteenth-century England; a profound, sensitive man with high political ideals and an essentially nationalistic feeling. He endeavored to socialize the Christians and christianize the socialists. Maurice viewed socialism as essentially the business of the church and not of the state. Charles Kingsley, friend and adherent of Maurice, was a poet with revolutionary ardor for socialism. Kingsley said, "I would shed the last drop of my life blood for the social and political emancipation of the people of England." Christian Socialism originated in the late 1840's and spent itself by 1854. The efforts of the Christian Socialists, however, were not wholly ineffectual. Their demand for a living wage and full employment did not help to popularize the Poor Law of 1834.✓

Karl Marx, although born in Germany, was one of the important personalities of the left wing during this period. The most important part of his life (1849-1883) was spent in England. The elements of his economic system were gleaned from the writings of Ricardo and his followers, buttressed with statistical data from the British Blue Books. Marx stressed that the material conditions of life—"the way in which man, as a social being, produces the means of life"—is the prime motive power in the stream of human history. The influence of Marx as an intellectual socialist was profound. His emphasis upon the irreconcilable opposition that he believed existed between those who controlled the means of production and those who possessed the labor power was too revolutionary for Britain. But he provided an intellectual tone which proved to be an invigorating and vital discipline for those who were to champion the cause of labor in England during this period.¹⁰

Among all of the societies for social reform during this period the most important was the Fabian Society, at least no other "exercised so marked and beneficial an influence on educated public opinion and on legislation." This Society was founded in January, 1884, with a

¹⁰ M. Beer, *A History of British Socialism* (London: Bell, 1920), Vol. II, pp. 202-13.

name adapted from Fabius Cunctator, a Roman general whose tactics it followed. These consisted in a policy of watchful waiting or as Sidney Webb described it, "the inevitability of gradualness." A few months after the Society was formed it attracted the attention of two intellectuals, Sidney Webb and George Bernard Shaw. In those days Shaw was an obscure and lowly journalist and Webb held an unimportant clerkship in the colonial office.

The Fabians were socialists of a definite British stamp. Theirs was not a revolutionary movement for the working-class population but a movement that hoped to establish a new society by the use of democratic and parliamentary methods. The literary and scientific publications of the Society were numerous and highly influential. Their magnum opus was the *Report of the Minority of the Royal Commission on the Poor Laws, 1909* written by Sidney and Beatrice Webb.

Some of the most important factual ammunition in the fight against the Poor Law of 1834 was provided by a businessman who was by no standard whatever a socialist. Three years after the founding of the Fabian Society, Charles Booth undertook an important inquiry of the extent of poverty in London to disprove the socialists. In order to discover the true volume of poverty in London, Booth undertook as a private study a monumental inquiry. He studied the conditions under which thousands of workers lived. Booth's patient and careful investigations revealed that one-third of the population in London was living in poverty.¹¹

Another factual attack upon the Poor Law of 1834 came, ironically enough, from none other than Sir Edwin Chadwick, Secretary of the Poor Law Commissioners. Sir Edwin had been assigned as an official task an investigation of the sanitary condition of the working-class population of England. In his report he showed how social conditions rather than personal imperfections were contributing to the ill health and mortality of the people.¹²

With all of this thunder from the left augmented with the findings of Charles Booth and Sir Edwin Chadwick the poor law was to meet a challenge greater than any during its three centuries of uninterrupted reign. By the turn of the century a more humanized concept of the doctrine of public responsibility for the care of dependent per-

¹¹ Charles Booth, *Life and Labour of the People in London* (London: Longmans, Green, 1909), Vol. IX.

¹² *Report to His Majesty's Principal Secretary of State for the Home Department from the Poor Law Commissioners on an Inquiry into the Sanitary Condition of the Labouring Population of Great Britain* (London: H. M. Stationery Office, 1842).

sons was to manifest itself and the poor law was to lose its repressive characteristics and reappear as social insurance and public assistance.

ROYAL COMMISSION OF 1909

The general dissatisfaction with the Poor Law of 1834 led to the appointment on December 4, 1905, of a Royal Commission on the Poor Laws and the Relief of Distress. The eighteen members of the Commission soon became divided into two distinct groups; the majority of fourteen representing the Poor Law Board and the Charity Organization Society, and a minority of four representing a Fabian-Labor point of view. Mrs. Sidney Webb with the able assistance of her husband who was not a member spearheaded the attack upon the majority.

Poor law reform was of particular interest to the Webbs. As did all Fabians they believed in a democratic state prepared to accept reform duties. A Royal Commission was an excellent medium for their intellectual arguments for an ideal state which would enact progressive social legislation. Here was an opportunity to investigate a particular problem, to point out the essential remedies, and to persuade the country to accept the remedies as a practical necessity. In fact as Fabians, the Webbs' mission was to acquire the necessary facts and to explain them to the public. They believed in everyday politics for social legislation.¹³

They set upon their task of poor law reform with their usual zest for facts. After the exhaustive research of the Commission was completed — 159 hearings were held, and the special studies of experts resulted in more than forty-seven published volumes — the Webbs were in complete revolt against the majority, even though the majority report was by no means a whitewash of the Poor Law of 1834. It is apparent that the Webbs forced the majority to recede much further from the principles of 1834 than they would have done under their own initiative.

The majority complained of the harshness of the poor laws and suggested that the term *public assistance* be substituted for poor law. They emphasized further that the general aim of public assistance should be "the independence and welfare of the people." Toward that end they wanted to "introduce into all branches of the work a spirit of efficiency and helpfulness."¹⁴ In addition they suggested

¹³ Beer, *op. cit.*, pp. 280-81.

¹⁴ *Report of the Royal Commission on the Poor Laws and Relief of Distress* (Majority), Vol. II, pp. 140-59.

the establishment of a national system of employment exchanges, the use of public works to combat unemployment, the acceptance of social insurance, the elimination of the doctrine of less eligibility and the workhouse test, and the elimination of the disenfranchisement of recipients.

The minority, on the other hand, rejected completely the philosophy and methods of the poor law. For the able-bodied they wanted to substitute a national unemployment insurance system. An additional national program within the same general administrative unit would provide vocational training for the unemployed who were not eligible for these insurance benefits. While the men were in these training programs benefits would be provided to their families. Poor relief would be abolished entirely and the various existing agencies such as schools and public health authorities, through the coordination of a Registrar of Public Assistance, would care for those in need.¹⁵

It is unfortunate that the minority members did not recognize the administration of public assistance as a specialty in its own right. They were motivated by laudable ideals but they became extremists. Subsequent history was to prove the necessity of public assistance as a complement and a supplement to social insurance.

The majority and the minority were in common agreement on certain points: both rejected the principles of 1834; both agreed upon a larger unit (the county) for administration; and both agreed upon a positive approach, the principle of prevention and social provision.¹⁶ In spite of the work of the Commission the actual structure of the poor law was *not* immediately affected. Actually England had to wait until the election of a Labor Government in 1920 before substantial reforms were taken. ✓

EMERGENCE OF SOCIAL INSURANCE

The new economic and intellectual climate as exemplified by the Royal Commission of 1909 made possible the development of social insurance. Various social insurance programs were adopted as definite rights for labor and as an expression of resentment against the poor laws. Such eminent men as David Lloyd George and Winston Churchill sensed the inevitable changes that were to occur. "I believe there is a new order coming from the people of this country," said Lloyd George. In a later speech he referred to the "scanty and humiliating fare of the pauper." In its stead he urged that "the

¹⁵ de Schweinitz, *op. cit.*, pp. 195-96.

¹⁶ *Ibid.*, pp. 197-98.

spare wealth of the country" should be distributed as social insurance grants to the wage earners. Churchill emphasized that "the ever-growing complications of civilization create for us new services which have to be undertaken by the state, and create for us an expansion of existing services."¹⁷

This was the political spirit of the times and it soon manifested itself in legislation. The first social insurance act passed by Parliament was the Old-Age Pension Act of 1908. Noncontributory pensions were provided to deserving persons who met a maximum annual income requirement of less than fifty pounds. The rate of the pension was graded with the rate of income, the full rate being ten shillings per week. Certain moral factors entered into eligibility; one could not qualify who had "habitually failed to work, according to his ability and need . . ."

Within twenty-five years after the passage of this Act the number of pensioners and the annual expenditures had greatly increased. The number of pensioners in the United Kingdom (Great Britain and Northern Ireland) increased from 647,494 in 1909 to 1,579,938 in 1933. Expenditures increased from 2,026,000 pounds to 41,047,000 pounds during the same period.¹⁸

The impact of noncontributory old-age pensions upon poor law administration was noticeable at once. Persons seventy years of age and over virtually ceased to be recipients of poor relief after 1913. During January of that year, de Schweinitz states, the number seventy years of age and over receiving poor relief was 6 per cent of the number during January, 1910.

In 1911 the National Insurance Act was passed by parliament to provide social insurance against the hazards of sickness and unemployment. Incidentally, England was the first country in the world to pass a national compulsory unemployment insurance act. Both these programs were based upon contributions by the employer and the employee with an added subsidy from the state. Originally it applied only to manual laborers who received less than 160 pounds per year, but this was gradually changed until in 1941 it was 420 pounds. More than ten million were covered as early as 1913, by 1916 four million were covered, and by 1920 more than two-thirds of the employed were covered.¹⁹

¹⁷ de Schweinitz, *op. cit.*, p. 201.

¹⁸ Committee on Economic Security, *Social Security in America* (Washington: Government Printing Office, Social Security Board Publication, No. 20, 1937), pp. 449-50.

¹⁹ *Ibid.*, pp. 17-21.

Further agitation for old-age security led to the passage of the Widows, Orphans, and Old-Age Contributory Pensions Act of 1925. Flat contributions were matched with flat payments. In the case of men the employer paid four and one-half pennies weekly and the workers paid the same amount. The employer paid two and one-half pennies for women and the women paid two pennies. Pensions of ten shillings per week were provided to eligible retired men and women.

Social insurance in Great Britain was a positive development in that it emphasized the rights of workers to receive certain specified grants on a contractual basis; through a system of compulsory savings the workers provided benefits for themselves when they became sick, unemployed, or superannuated. The state had become more liberal in respect to the wage earner. Social insurance was an overt recognition by the state of the inevitability of the major hazards of industrial life — old age, sickness, unemployment, and widowhood. The worker's right to benefits was emphasized; this was the antithesis of the poor law.

In contrast to the old poor law social insurance emphasized the self-respect and independence of the worker. Under social insurance a worker contributed for his own assistance; under poor relief the state assumed the entire burden and in discharging this burden it often humiliated the workman. Social insurance was more than a minimum grant compatible with minimum standards of health and decency, it was a floor established by the state. The recipient could even add to this guarantee of the state through his own resources. The development of social insurance was a significant milestone in the social history of England and of America and its effect upon poor relief was pronounced. *Today poor relief has been transformed into public assistance which is, theoretically at least, a complementary and supplementary program to the social insurances.*

Significant changes did not occur in the poor relief system itself until the final days of World War I. In 1918 the Representation of the People Act extended the suffrage to those who had not previously been enfranchised. Specifically this prevented a person from being disqualified from voting because of the receipt of poor relief. This removed the basis of Disraeli's contention, soon after the reforms of 1834, that poverty was considered a crime in England.

In 1919 poor relief was placed under the supervision of the Ministry of Health. A more liberal attitude manifested itself although the ministry still recommended the use of workhouses and the work test. The depression of 1921 proved to be too severe a blow for the poor

law and several local poor law boards reached the point of bankruptcy. Thereupon the ministry superseded the local boards with its own appointees in two localities in 1926 and in 1927. This situation was a contributing factor to the passage on March 27, 1929, of an act which changed the entire poor law system. Under the terms of this act each county council (rural) and county borough council (urban) was to devise its own administrative structure subject to the approval of the Ministry of Health.

Many advocates of social insurance had believed that social insurance would eliminate the need for poor relief. This it will be recalled was the position of the minority members of the Royal Commission of 1909. Experience with mass unemployment after World War I proved the error of this contention.²⁰ After the discharge of large numbers of men from military service who were not covered by unemployment insurance but were out of work, the English endeavored to segregate them from the stigma of the poor law by giving them extended "Out-of-Work Donations" from the insurance system. Actuarially, the unemployment insurance system ceased to exist and by 1931 the fund had been insolvent for several years. An Economy Act endeavored to place the system once again on a quasi-actuarial basis. Insurance benefits were limited to "transitional benefits" with the poor law as the second line of defense. Ultimately a new national organization, the Unemployment Assistance Board, was created, June 28, 1934. This unit was specifically designed for those unemployed who had lost their insurance rights and were still in need. The Unemployment Assistance Act in creating this Board substituted national administration for national supervision.

In 1940 the Unemployment Assistance Board became the Assistance Board. It administered national assistance for the unemployed, the aged, the widows, and war sufferers. Relief administered by the counties was continued for other dependent groups not otherwise cared for. In 1941 the "household means test" was abolished; the resources of members of the household other than the applicant for public assistance — except those legally obliged to support him — were not investigated. Social security in England prior to 1946 consisted of these programs: the various national social insurance

²⁰ See A. C. C. Hill and Isador Lubin, *The British Attack on Unemployment* (Washington: The Brookings Institution, 1934), Industrial Relations Counselors, Inc., *An Historical Basis for Unemployment Insurance* (Minneapolis: University of Minnesota Press, 1934), and *Final Report of the Royal Commission on Unemployment Insurance* (London: H. M. Stationery Office, 1932).

groups; and county public assistance for those not covered by the other programs.²¹

MODERN PUBLIC ASSISTANCE IN ENGLAND

Modern social security programs in England date from the publication of Sir William Beveridge's famous report.²² Sir William is a well-known economist who has been associated with social security developments since he became Director of Labour Exchanges in 1909. During World War I he was Secretary of the Ministry of Food; from 1919 to 1937 he served as Director of the London School of Economics; in 1937 he became Master of University College, Oxford; and he served as a Liberal in Parliament, 1944-1945. Although his report was published as a personal document, it was written as a quasi-official publication under the sponsorship of an inter-departmental committee. With the exception of Sir William the members of the committee were all civil servants; it was assumed that because of the high policy involved it would be inappropriate for any civil servant to express an opinion.

Universal contributory social insurance was the main feature of Beveridge's plan. Under the scheme each citizen of working age would make contributions toward comprehensive insurance benefits. The six fundamental principles of the scheme were: (1) Flat rate of subsistence benefit; (2) Flat rate of contribution; (3) Unification of administrative responsibility; (4) Adequacy of benefit; (5) Comprehensiveness; and (6) Classification.

The plan also presupposed three assumptions. The first was a general scheme of children's allowances. This involved direct provision for the maintenance of children by cash payments directly to those responsible for their care. The second assumption was a national health service for the prevention and cure of disease. This meant, according to the report, "that a comprehensive national health service will ensure that for every citizen there is available whatever medical treatment he requires, in whatever form he requires it, domiciliary or institutional, general, specialist or consultant, and will ensure also the provision of dental, ophthalmic and surgical appliances, nursing and midwifery and rehabilitation after accidents." In other words this meant complete medical service for all citizens to be pro-

²¹ *International Survey of the Social Services* (Geneva: International Labour Office, 1936), pp. 356-402.

²² Sir William Beveridge, *Social Insurance and Allied Services* (American edition published by Macmillan, New York, 1942).

vided through general taxation. The third assumption was the continuance of employment and the prevention of mass unemployment. Sir William assumed that unemployment should be not more than $8\frac{1}{2}$ per cent for all insured employees.

For a limited number of persons whose need could not be met by social insurance Beveridge proposed a national assistance scheme. It was to be administered on the basis of a uniform means test based upon a subsistence level. Costs would be met through the National Exchequer. It would be administered as an integral part of the Ministry of Social Security.

Under his scheme Beveridge looked upon public assistance as essential only for a transitional period before pensions reached the subsistence level. Public assistance would be required for persons failing to fulfill contribution conditions or those exempt because of deficient income. Also it would be needed by persons who were disqualified for social insurance benefits because they refused suitable employment or were dismissed from work for misconduct. Also people requiring special diets would need public assistance.

The *National Insurance Act of 1946* placed in operation most of the essential provisions of the Beveridge report. It provided for cash social insurance benefits on the basis of right for those who contribute. These benefits are for all periods when there is interruption of earnings, are the same for all contingencies, and are awarded on the basis of flat contributions and flat benefits. That is, the contributions and benefits are the same for all workers and are not based upon the percentage of wages.

The Act also created a single agency, the Ministry of National Insurance, to administer its provisions. This agency takes the place of "an administrative jungle that has hitherto involved no less than seven Central Government departments and a host of local government authorities." For the citizen this means one insurance card, one stamp, and one office for the receipt of social insurance and public assistance benefits.²² ✓

A companion act, the *National Health Service Act of 1946*, made revolutionary changes in the distribution of medical care. The Act has been the source of controversy within the medical profession, but it went into effect July 5, 1948, after several compromises with the British Medical Association.

Prior to the enactment of the *National Insurance Act* England had passed the *Family Allowance Act* on June 15, 1945, under which payments were first made in August, 1946. This Act also is based

²² John S. Morgan, "Some Recent Developments in Social Service in Great Britain," *Social Security Bulletin*, Vol. 10, No. 6 (June, 1947), p. 3.

largely upon the Beveridge report. Under its terms an allowance is paid to every family with two or more children. Payments are five shillings per week for each child in the family with the exception of the eldest. A child, according to the Act, is defined as one who is under the upper limit of the compulsory school attendance age, or an older child still attending school or apprenticed until August 1, following his sixteenth birthday.

Family allowances are financed from general tax revenues. It has been estimated that the scheme will cost at least 57,000,000 pounds annually. In addition the allowances are supplemented by school lunches and free milk at school, bringing the total estimated annual cost up to at least 60,000,000 pounds.

England now has a broad comprehensive program of social insurance, family allowances, and public medical care. Public assistance will thus become a program to supplement these services. The program was conceived by a Conservative government committee, written by a Liberal government, and enacted by a Labor government. While there may be controversies over some of the details it is obvious that the plan has widespread popular acceptance. Eventually it will influence the development of social policies in other parts of the world, particularly in English-speaking countries.

Thus the doctrine of public responsibility for the care of dependent persons has been transformed in England from the harshness of the ancient poor law to the positive features of comprehensive social insurance, family allowances, public medical care, and a humane and liberal program of supplementary public assistance.

Selected Bibliography

- Harry Elmer Barnes and Howard Becker, *Social Thought from Lore to Science* (Boston: Heath, 1928).
- M. Beer, *A History of British Socialism* (London: Bell, 1920).
- Sir William Beveridge, *Social Insurance and Allied Services* (American edition published by Macmillan, New York, 1942).
- Charles Booth, *Life and Labour of the People of London* (London: Longmans, Green, 1900-1911).
- Karl de Schweinitz, *England's Road to Social Security* (Philadelphia: University of Pennsylvania Press, 1943).
- Henry Fawcett, *Pauperism: Its Causes and Remedies* (London and New York: Macmillan, 1871).
- Mark Hovell, *The Chartist Movement* (Manchester: The University Press, 1925).
- Sidney and Beatrice Webb, *English Poor Law History* (London: Longmans, Green, 1927).

4. American Poor Law History

COLONIAL BACKGROUND

The history of public responsibility for dependent persons in the early American colonies was similar to the history in England during the same period. Most of the colonists came from England attracted by the prospect of religious freedom, the lure of adventure, or the possibilities of economic independence. They brought with them their English manners and customs, social and legal institutions, and their philosophical approach to human existence. One of the institutions they imported was the English poor law system.

Before we analyze the early development of the poor law system in America it may be of some value to note the socio-economic status of the early colonists. In the main the colonists were persons of moderate means who were seeking economic opportunities in the new world. A very large portion of them were poor, so poor indeed that they were unable to pay their own passage. The frontier conditions of the new country meant constant danger, hard work, and simple living. Life under these precarious conditions forced a dependence for necessities upon the mother country and gave a certain common status to all the people.

Nevertheless from the very beginning there were many settlers who were lower than others in social and economic status. There were two classes of white servitude in the American colonies: voluntary and involuntary. The voluntary were indentured servants who had signed a contract in Europe agreeing to work for a specified period in return for their passage and the "free willers" who had not signed papers of indenture in Europe but were given a certain number of days after their arrival in America to arrange to pay for their passage. Involuntary servants were convicts sentenced to transportation, dependent persons sent arbitrarily by the King or courts, kidnaped or "spirited" persons, and dependent children sent under the apprenticeship laws.

The involuntary servants often were considered undesirable. The transported convicts were considered to be the most menacing and the colonists protested to the mother country, but this source of new

population was not cut off until the American Revolution. Kidnaping or "spiriting" was also a common source for the recruitment of new world population. Persons of all ages were kidnaped by traders and sea captains from the streets of London and Liverpool, taken to America, and there held in servitude. This was a highly remunerative trade; a person could be transported for six to eight pounds and sold for as much as sixty pounds. Many dependent children were sent from England under the apprenticeship laws. It is reported that as early as 1619 over one hundred poor children were gathered from the streets of London and sent to America by the Mayor and Council.

The voluntary servants were considered more desirable. In the main they were honest, hard-working, thrifty individuals. Their terms of servitude ranged from one to ten years, the most common being five or seven. At the end of this period they usually received "freedom dues." In Virginia, dating from 1690, this was a gift of fifty acres of land.

The number of white servants entering the colonies was relatively large. At the beginning of the eighteenth century it was estimated that one-third of the immigrants entering Pennsylvania were servants. The usual ratio, however, was approximately one servant for every ten or eleven free men.

The legal status of an indentured servant changed somewhat during the years but his position was always superior to the Negro slave. From 1619 to 1648 in Virginia a servant was regarded as chattel and his services could be sold without his consent. Otherwise his position before the law was like a free man's; he paid poll tax, he had the right of trade, and he could acquire property. Often he was a skilled artisan and was treated with respect. Inasmuch as he was looking forward to freedom he did not consider himself a slave. Although the evidence is somewhat conflicting it is apparent that the majority of the freed servants became self-supporting. A large number, however, failed to make good and formed a class of dependent persons.¹

Freed servants were not the only persons who contributed to the pauper class. From almost the first days of the colonies certain individuals could not support themselves. They were not merely the shiftless but also the sick, the demented, and the maimed. As one

¹ J. C. Ballagh, *White Servitude in the Colony of Virginia* (Baltimore: Johns Hopkins Studies, 1895, Vol. XIII); E. I. McCormac, *White Servitude in Maryland* (Johns Hopkins Studies, 1904, Vol. XXII); and Marcus W. Jernegan, *Laboring and Dependent Classes in Colonial America* (Chicago: University of Chicago Press, 1931).

writer said, "they were the natural residuum of existing social conditions — that inevitable, though varying percentage of the vicious, the shiftless, and the weak always to be found in every population, no matter how thrifty and energetic."² Numerous colonists could afford little beyond the absolute necessities of life. This situation was aggravated in the South by the almost complete absence of free schools.

The total volume of poverty was not nearly so large in the new world as in the old. The people who came to America were in the main those who were fired with sufficient ambition to improve their economic status. Wages were high and skilled workers were few. With a large area of land and all of the difficulties of the frontier the demand for labor was great. Thus any able-bodied worker, especially if he possessed some skill, had little difficulty in becoming self-supporting.

Even though the number of poor persons was small, colonial America was without the resources of the mother country. The endowed charities, the almshouses, the private hospitals, and various other institutions were not present. The resources of the well to do who migrated to America were used to develop their holdings in the new country; the great fortunes which serve as the basis for large endowments were yet to be made. Responsibility for the care of the poor in colonial America, therefore, rested almost exclusively upon the poor law system.³

The poor law became operative almost as soon as the colonists became settled and social controls were established. In New England poor relief was administered through the township, which was the parish of England shorn of its ecclesiastical powers. The court of Plymouth colony held as early as 1642 that every town had to make competent provisions for the maintenance of the poor. In 1682 the court was even more specific, directing the selectmen to see that the poor in their respective towns were relieved.

Legal settlement was accepted as an eligibility requirement for the receipt of poor relief. Strangers who could not give evidence of their ability to support themselves were "warned out" of town by the local officers although on occasion persons were accepted if they possessed suitable credentials.

Outdoor relief for the poor was provided, but in addition the adult poor were "farmed out" to the lowest bidder. Dependent

² William Meade, *Old Churches and Families of Virginia* (Philadelphia: Appleton, 1861), Vol. I, p. 90.

³ Elizabeth Wiener, "The Puritan Background of the New England Poor Laws," *Social Service Review*, Vol. XIX, No. 3 (September, 1945), p. 381.

children were also cared for by outdoor relief. As in England, however, a system of indenturing or apprenticing destitute children was in general use. Many colonial statutes contained elaborate provisions for apprenticing children. An Act of 1705 in Pennsylvania required the overseers of the poor to put poor children to work and bind them out. In 1793 Maryland passed an act for the better regulation of apprentices which indicates that there had been previous legislation on this subject. Colonel Lawrence Smith of Gloucester County, Virginia, had complained as early as 1699 of the "excessive charge" that was brought to the parishes "by means of bastards born of servant women." He asked that more stringent means be taken to control the problem and suggested apprenticing and binding out.⁴

The colonies adopted strict laws of settlement with the result that a large number of poor persons did not belong to any town and had to be supported by the state. In Pennsylvania runaway indentured servants constituted a special problem because few of them could claim legal settlement. By 1749 legal settlement in Pennsylvania was based upon length of residence, occupation, and payment of tax levies. In Massachusetts the stringent settlement law created a special class of "alien poor" who did not have settlement in any locality and had to be cared for by the state. This group was known as the "State Poor" in New York.

There was not any definite policy in regard to the care of insane indigent persons. For the most part they were included in the same class as the ordinary adult poor. As late as 1829 in Michigan the poorhouses were also serving as asylums for any "pauper lunatics." Likewise the insane were specifically included with other poor persons under an Act of 1838 in Michigan.

The colonial policy toward vagrants and delinquents was parallel to the English policy during this period. According to a North Carolina law of 1755 all vagrants were to be whipped as runaways and then taken to the counties where their children lived. Here they were to be put to "honest work." If they failed at this they could be hired out by the state — the state had the authority to place in servitude criminals and vagrants.

POOR LAWS IN NORTHERN STATES

An examination of the development of poor-relief legislation in selected northern colonies is one of the best ways of tracing the in-

⁴ Philip Alexander Bruce, *Institutional History of Virginia in the Seventeenth Century* (New York: Putnam, 1910), Vol. I, p. 50.

fluence of the Elizabethan Poor Law in America. Rhode Island offers an opportunity for the observation of more than three hundred years of uninterrupted poor law administration.

The first session of the colonial legislature, meeting in 1647, announced that the Elizabethan Poor Law was assumed to be in force and that the doctrine of local responsibility was accepted. Overseers of the poor were appointed and the administrative provisions of the Elizabethan Poor Law were put into operation. In 1662 provision was made for the election of overseers.

At first there was apparently no specific provision made for the financing of poor relief, for in 1687 the overseers of the poor in Newport asked the General Assembly how money for poor relief should be raised. As a result the colonial legislature ordered the overseer of each town to make and assess a tax levy for this purpose "according to the custom of England." Rate-making introduced many difficult problems, but resulted in a large proportion of tax funds being spent for the care of the poor.

The Act of Settlement was accepted in Rhode Island and one of the early duties of the overseer was the administration of the numerous regulations for certification of the persons seeking admission to the towns. In 1675 the Portsmouth overseers were ordered "to take care that strangers be not entertained in this town." The responsibility relating to support of members of their family, as was the case in England, was also accepted in Rhode Island. Miss Margaret Creech cites the case of John Howard who was in need of relief. He lived with his son Ebenezer who was unable to support him. Relief was extended by the town of Providence in 1722, but the son was asked to sign a receipt for relief given so that he could be held responsible at some future time.

Many of the English experiments were tried in Rhode Island. One of these was the workhouse. An act was passed in 1765 giving broad powers to the overseers of the Newport workhouse. They were given authority to commit persons to the workhouse and to refuse assistance to those who refused to go there. The overseers were also empowered to bind out for as long as four years any person committed to the workhouse who might become chargeable. Incidentally this also included the binding out of children as apprentices. Vagrants were supposed to be apprehended by the overseers and returned to the town where they belonged.

Legal settlement, although recognized from the beginning of the poor law in Rhode Island, grew up primarily from the practice of the early town governments. Each town had devised its own way of

dealing with strangers. Actually there was no definite law on the subject for more than one hundred years. From the very beginning, however, a distinction was made between those who were permitted to live in a town and the freemen who were entitled to vote. As new towns sprang up they established measures for controlling the size of their population. In 1638 Portsmouth decreed that no one should be received into the town except those given specific consent by the governing body. Soon the general assembly debated about legal settlement and in 1655 passed its first regulation on the subject. This was a protective measure assuring a person sent for by another jurisdiction that the town officers where he resided should make the decision. By 1662 each town council was given jurisdiction over the subject of settlement. Finally in 1748 the general assembly passed an act determining legal settlement. In order to become settled a person had to give notice of such intention to the town council. Then if the request was approved it was entered in the town council book. If the person lived in the town for a year after the notice was given without being "warned out"⁵ he gained settlement. Purchase of a freehold of 30 pounds also entitled one to settlement. The administration of this act was given to the overseers of the poor. They had to report persons not legally settled and likely to become chargeable to the town. Then at the meeting of the town council the legal residence of an individual was determined and, if necessary, he was removed together with an authentic copy of the order of removal. All of this was done by "virtue of the Laws of England."

Apprenticeship was widely used to care for orphaned or dependent children. No special care, however, was provided for insane persons. Sick persons were cared for through the general poor law provisions. There are numerous records of the payment of bills for medical care, medicines, and attendance at the time of illness.

Financing poor relief was a real problem in colonial Rhode Island where resources for the ordinary government functions were often lacking. Separate tax assessments were often made for individual cases and in other cases produce, stock, or land often were substituted for tax levies. Fines for certain misdemeanors were sometimes assigned to the care of the poor. Usual fines going to the care of the poor were a penalty for keeping a tavern or alehouse without a license and a fine for a townsman "found tippling for one hour's space in tavern."

⁵ "Warning out" was a practice whereby a community could relieve itself of subsequent responsibility for a potentially dependent person. For the development of these procedures in New England see Josiah E. Benton, *Warning Out in New England* (Boston: Clarke, 1911).

Natural resources were often given to the poor: land for pasturage, wood for fencing, and fuel.⁶

Colonial poor relief legislation in Rhode Island was adopted directly from the Elizabethan Poor Law of England. Although in light of modern standards many of the provisions seem to be harsh and inhumane, Miss Creech has emphasized that the towns assumed their responsibility for the care of dependent persons. As in England they lacked administrative skill, but inattention and coldness were not typical of the care given for those persons for whom the towns of Rhode Island acknowledged responsibility.⁷ ✓

The poor laws in Pennsylvania were likewise not indigenous to the state but were based upon the Elizabethan Poor Law. As early as 1676 the Duke of York Laws made provision for the care of the poor. The first general poor relief measure was enacted in 1705-1706. Definite administrative machinery was created by this law. Justices of the peace of the respective counties were authorized to meet annually and appoint three or more "substantial householders" to be overseers of the poor in each township. The overseers were empowered to levy taxes for the relief of the poor and to bind out dependent children. Applicants for relief had to procure an order from the justices before their names could be entered on the "poor books." The act also made imperative mutual responsibility of grandparents, parents, and children.

Indentured servants created problems in Pennsylvania as well as in other states. In addition to indentured servants many criminals were transported from England to Pennsylvania. By 1717 the governor became concerned and suggested to the assembly that some regulation was necessary in order to cope with the unlimited number of persons coming to Pennsylvania without license from the King. Evil consequences, the governor believed, might result from their settlement in "too large numbers together, or promiscuously among the Indians."

As a result the assembly passed the General Settlement Act in 1718. This Act enumerated those persons who were deemed to have acquired legal settlement which was based on continual residence and occupation. All those who were unable to comply with the terms of the Act were considered to have no legal settlement and were subject to removal to the place from whence they came. Every person who received relief, including all members of his family, was required to

⁶ Margaret D. Creech, *Three Centuries of Poor Law Administration* (Chicago: University of Chicago Press, 1936).

⁷ *Ibid.*, pp. xiv-xv.

wear the Roman letter P on the shoulder of the right sleeve to indicate his pauper status and to serve as a deterrent to the weak-willed citizens. Neglect to wear the badge meant the withdrawing of aid and commitment to the house of correction, there to be whipped and placed at hard labor "for a time not exceeding twenty-one days."

A more rigorous settlement act was passed in 1735 which made it impossible for anyone to gain legal settlement unless within five days after arrival in a community he furnished the overseers of the poor with a statement of his residence. Any householder who concealed "rogues, vagabonds, and other idle and dissolute persons" or anyone without legal settlement was subject to be fined twenty shillings for every offense. Poor persons who wished to move from one community to another had to secure a certificate of legal settlement from the overseers where they resided. Expenses for the relief of such persons were chargeable to the overseers where they had legal settlement.

By 1771 Pennsylvania was ready to codify all laws relating to the care of the poor under an Act for the Relief of the Poor. This Act incorporated previous legislation regarding the appointment of overseers of the poor and made the township the basis of appointment and administration. It also outlined the duties of the overseers. They were to provide houses for the employment of the poor, locate the dependent children, levy taxes annually for the care of the poor, secure a sufficient stock of hemp, flax, thread, "and other things necessary for setting to work such able poor as applied for relief," and furnish the impotent with assistance in their own homes. Settlement was once again based on length of residence, occupation, and payment of taxes. Whenever a man deserted his wife or children the overseers were authorized to obtain a warrant from two magistrates and seize his goods and chattels which were to be sold to support the wife and children. In case he had no such resources he was to be bound over to the court and committed to jail.

The Act of 1771 was thoroughly revised in 1836 when the law provided that relief was to be restricted to those who had legal settlement within a district. It was made lawful for any overseer to employ poor persons on road work. The nonsettled poor were to be relieved until they could be removed to their place of last legal settlement. Settlement could be gained in any one of the districts in any one of the following ways: (1) by inhabiting a place for one consecutive year and "in discharging the duties of any office to which he has been legally chosen;" (2) by paying taxes for two successive years; (3) by taking a lease on real estate of the yearly value of ten

dollars, paying the rent and dwelling thereon for one year; (4) by owning real estate and living on it for one year; and (5) by being hired in service for one year. Liability of fathers, grandfathers, and children for mutual support was also provided.

The Act of 1836 introduced the district system of administration in Pennsylvania. The county system had been launched with an act passed in 1798 providing for the erection of "houses of employment." Township and borough administration had been continued for outdoor relief. The Act of 1836 made it possible to create poor relief districts; the first was not created however until 1857.⁶ Subsequent amendments made minor changes in the Pennsylvania poor relief system from 1836 to 1925. The poor laws of 1925, however, were still based substantially upon the Act of 1836.⁷ ✓

The history of poor relief in New York differs from the other northern colonies because of its Dutch background. Poor relief in New Netherland was vested in the ecclesiastical officials of the Dutch Reformed Church rather than in public authorities. It was found necessary, however, for the Dutch to pass a poor law in 1661 as a means of protecting the colony from the influx of persons without means. The ordinance provided that only poor persons carrying certificates would be cared for. Each settlement was to support its own poor through church collections. In villages, lacking a church, "where there is no preaching" the magistrates were directed to collect funds each Sunday for the relief of the poor.

In provincial New York there was very little uniformity in the acceptance and administration of the principles of the English poor law. In general these differences are attributable to the difficulties of superimposing English procedures on the predominantly Dutch population. Despite these problems province-wide provision for the care of dependent persons was made as early as 1683 with a general poor law. This law was similar to other colonial measures patterned upon the Elizabethan Poor Law. All classes of indigent persons were treated alike, with assistance usually provided in their own homes. There were a few specialized forms of care, but dependent children as in other colonies were often apprenticed. One section of the law related to settlement and was designed "for the prevention and discouraging of vagabonds and idle persons to come into this province." The result was that the poor unskilled laborer was looked upon with

⁶ William Clinton Heffner, *History of Poor Relief Legislation in Pennsylvania, 1682-1913* (Cleona, Pennsylvania: Holzopfel, 1913).

⁷ Emil Frankel, *Poor Relief in Pennsylvania* (Harrisburg: Department of Welfare, 1925), p. 9.

suspicion and it was difficult for him to acquire legal settlement. In fact public welfare administration in provincial New York was pre-occupied with preventing indigent persons from gaining legal settlement.

Specialized provisions were made for certain classes of dependent persons in the post-Revolutionary period. Grants were given to the New York hospital for the treatment of poor patients. Financial assistance was given to the Bloomingdale Asylum, the first institution in the state to care for the insane. State grants were also given for the care of deaf mutes and for the care of manumitted slaves.

The unusual interest which was manifested in the poor law problems of New York in the early nineteenth century may be attributed to the depressed economic conditions of the first two decades of the century, a precipitous rise in relief expenditures, and the interest in poor law questions in Great Britain. Events in England often had a direct bearing upon affairs in New York, especially because numerous New York reformers kept in close touch with English affairs.

J. V. N. Yates, Secretary of State, was commissioned by the state legislature to make a comprehensive survey of poor relief. His report based mainly upon questionnaires sent to the poor law authorities was presented to the legislature in February, 1824.¹⁰ Yates estimated that New York averaged one permanent dependent person for every 220 inhabitants. This he compared with one for every 68 in Massachusetts, one for every 150 in Connecticut, and one for every 265 in Pennsylvania. He showed further that poor relief expenditures in the state had risen from \$245,000 in 1815, to \$368,645 in 1819, and to \$470,582 in 1822.

The Yates report offers an excellent account of the prevailing poor relief methods. He found that four main systems were used in various localities for the care of dependent persons. These were: almshouse relief; home relief; the contract system whereby the poor were cared for by citizens at a specified rate; and the auction system whereby the highest bidder secured the services of the poor.

Yates was not content with a mere factual survey; he also offered criticism. He declared that where the poor were "farmed out" they were "frequently treated with barbarity and neglect by their keepers." Likewise he found that "education and morals of the children of paupers . . . are almost wholly neglected." He complained that the able-bodied poor were not employed and that the poor relief sys-

¹⁰ An extract of this report is reprinted in S. P. Breckinridge, *Public Welfare Administration in the United States: Select Documents* (Chicago: University of Chicago Press, 1938), pp. 39-54.

tem encouraged begging. He proposed that indoor relief should become the chief form of public aid and that the county, rather than the town, should become the administrative unit. His report was well received and between 1825 and 1867 there was a steady trend toward county rather than town administration. This movement started with the passage of the County Poor House Act of 1824 and by 1840 all but four counties had accepted poor relief responsibility. A new poor law official, the county superintendent of the poor (primarily the manager of the county almshouse), was created.

State-owned and managed institutions were founded during this period for the care of special classes of dependents, defectives, and delinquents. These institutions which were separately managed needed a special state supervisory authority. The Board of State Commissioners of Public Charities was created for this purpose in 1867. The development of state supervisory authorities of this sort marked a new phase in public welfare in America and will be considered in a subsequent chapter.

POOR LAWS IN THE SOUTHERN STATES

The poor relief system of England was also reproduced in the Southern colonies with some local adaptations. In Virginia, for example, there were large numbers of indentured servants who had been recruited from the ranks of the poor, the unemployed, and the convicts in England. The children of these indentured servants, legitimate and illegitimate, often were in need of poor relief. Many mulatto servants and free Negroes also were dependent persons. A mulatto, born of a free white mother or an indentured servant, was in turn indentured and ultimately became a "free person of color." In addition there were those special classes of unfortunate persons, such as the sick, the feeble-minded, and the insane. Like the other colonies Virginia was confronted with the problem of protecting the localities from a large number of vagrants and vagabonds and at the same time securing an adequate labor force for a growing colony.

Unlike the other colonies Virginia had a definite system for administering relief, the English parish system which was reproduced on civil-ecclesiastical lines. The counties of Virginia had been divided into parishes in 1641. The parish in Virginia as in England had mixed civil and ecclesiastical duties, the governing body being the vestry composed of twelve men chosen, after 1676, by the freeholders. Their duties were to levy taxes and tithes, appoint clergymen, administer the poor laws, investigate immorality, and care for the re-

ligious affairs of the parish. Church wardens served as the executive arm of the vestry.

The first poor law was passed in Virginia in 1646. In addition to general legislation the administration of poor relief was based upon special customs and practices which grew up in various parishes. This is clearly shown, as Professor Jernegan has pointed out, by the minutes of the vestries.

Church wardens in colonial Virginia were concerned with the same problems as the overseers of the poor in other colonies. They administered a system of apprenticeship which was aimed at protecting the parishes from the support of a large volume of poor and illegitimate children. Also they attempted to use the poor relief system to reduce idleness and encourage productive enterprise; they secured stocks on which to place the able-bodied to work. Furthermore the problem of legal settlement was of interest to the church wardens as it was to the overseers in other colonies.

This system of civil-ecclesiastical poor relief became more and more unsatisfactory during the eighteenth century. A number of socio-economic changes — the lack of coverage and administrative inefficiency of the Anglican Church, the migration of population to the western frontier section of the state, and the delay in the formation of additional parishes — forced the state to adopt a poor relief system in accord with modern conditions. Between 1780 and 1785 the assembly passed a series of acts dissolving the vestries and providing for overseers of the poor in every county. A general act was passed in 1785 providing for the care of the poor and the appointment of overseers in all counties. Control of poor relief thus became a matter exclusively of civil concern and the Anglican Church ceased to have any voice in its administration. After the American Revolution Virginia's system of poor relief was similar to that of other colonies because of the complete separation of church and state.¹¹

A somewhat similar history of poor relief is found in North Carolina. There were the well-educated "gentry" who lived like their aristocratic counterparts in England, but they formed only a small portion of the population. The masses were hard-working people who suffered the hardships of a pioneer life. However, the mildness of the climate and the abundance of game made subsistence easy, so the volume of actual pauperism was not large.

This society of frontiersmen contained numerous involuntary im-

¹¹ Marcus W. Jernegan, *Laboring and Dependent Classes in Colonial America, 1607-1783* (Chicago: University of Chicago Press, 1931), Ch. XII, pp. 175-88.

migrants. Many free Negroes and mulattoes were dependent, and there was the problem of caring for dependent children. It was not found necessary, however, to pass an act for the relief of the poor until 1755, with a bill "for the restraint of vagrants and for making provision for the poor." It contained the following provisions: (1) a poor person could not move from one parish to another without a certificate from the sheriff or magistrate showing that he had paid his taxes or was not taxable; (2) a vagabond had to furnish security, be bound as a servant, or be whipped with thirty-nine lashes on his bare back; and (3) the church wardens or justices of the peace were empowered to remove poor persons to their place of legal settlement.

The American Revolution brought about changes in the system without disrupting the general pattern of administration. In 1777 the administration of poor relief funds was transferred from the vestries to the overseers of the poor who were elected by the freemen of the county. These overseers selected two of their number as wardens of the poor.

During the nineteenth century numerous poorhouses were developed in North Carolina. Poverty, however, still continued to be associated in public opinion with idleness and crime. As a matter of fact there was very little change either in methods of administration or in public opinion concerning poor relief between 1700 and 1900.¹³

The ecclesiastical influence was much less pronounced in the new states of the South that were carved out of the western frontier. When Kentucky separated from the state of Virginia in 1792 it retained most of the Virginia political traditions. By that time the American Revolution had separated church and state in Virginia and the Anglican influence had virtually disappeared from the administration of poor relief. The office of overseer of the poor, however, was not well enough established in Virginia for it to be immediately reproduced in Kentucky. In 1793 the Kentucky legislature authorized the county courts to levy taxes for the relief of the poor. The sheriffs and the collectors of the county levy administered the funds. It is also significant that the original Kentucky poor law utilized the Elizabethan principle of local responsibility, but it was silent on the question of family responsibility and legal settlement. Family responsibility was not added until 1906 and legal settlement as such is still not a part of the Kentucky poor law.

Kentucky made it clear in its original Poor Law of 1793 that the

¹³ Roy M. Brown, *Public Poor Relief in North Carolina* (Chapel Hill: University of North Carolina Press, 1928).

county was to be the administrative unit. Prior to 1850 the administration of the poor law was vested in the county courts which consisted of justices of the peace rather than a county judge. With the adoption of the third state constitution in 1850 the county court was presided over by a county judge. At the October term of court the justices sat with the judge as a court of claims and made provision for the poor. Thus between 1850 and 1891, when a new constitution was adopted, the county court had complete control over the poor law system. Fiscal courts established in 1891 took over the administration of the poor law. From then until the enactment of the federal Social Security Act of 1935 there were very few changes in the administration of the Kentucky poor law other than the appearance of special categorical assistance programs beginning with soldiers' pensions in 1912.¹³

These examples of poor relief administration in the southern states show that there was a peculiar combination of public responsibility and ecclesiastical authority. This mixed type of administration in Virginia and North Carolina was due to the importation of the English parish system. The English parish became the township in New England because the "Separatists" who settled in the northern colonies were not Anglicans. The southern parish and the northern township have not, however, had a similar effect upon local public administration. In the northern states the township has remained, in many instances even to the present day, as the unit for the administration of poor relief. With the connection of church and state in the southern states the parish¹⁴ became important as a civil administrative unit until it was succeeded by the county. When new states were created from the western frontier of the southern states they adopted the county as the administrative unit for poor relief. As was noted in the development of the Kentucky poor law, the Anglican Church had little or no influence upon poor law administration in the new states of the South.

POOR LAWS IN WESTERN STATES

As people migrated from the eastern seaboard to settle the states west of the Appalachian Mountains they carried with them the principles of the Elizabethan Poor Law. Amidst the difficulties of fron-

¹³ Emil M. Sunley, *The Kentucky Poor Law, 1792-1936* (Chicago: University of Chicago Press, 1942).

¹⁴ In one southern state (Louisiana) the parish is the unit of local government. Louisiana parishes are geographically like counties in other states and are not similar to northern townships or the parishes of colonial Virginia.

tier life they re-enacted the poor laws of the American colonies which had been in turn patterned upon English laws. When the Northwest Territory first took cognizance of the poor in 1790, only three years after its establishment, the country was a wilderness with comparatively few settlers. It possessed no roads nor means of communication and although the land was fertile there were perils of famine, flood, and exposure of every sort. Many of the earliest settlers had exhausted their fortunes in war and as one author states had "retired to the wilderness to conceal their poverty."¹⁸

The first territorial poor law enacted in 1790 made the township the unit for administration. Under this act justices were authorized to appoint annually overseers of the poor in every township. The overseers were to report those persons likely to become chargeable and to relieve those in need. In 1795 the governor and judges of the territory revised the territorial laws and copied the Pennsylvania Poor Law of 1771, under which the overseers became subordinate to the justices from whom they had to secure approval for granting relief and for levying taxes.

Elizabethan principles influenced the Poor Law of 1795; settlement, for the purposes of poor relief, depended upon having paid taxes for one year, having paid a yearly rental of not less than twenty-five dollars, or having lived on the property for one year. Strangers coming into a township were required to have a certificate attesting to their settlement in their previous township. The principle of family responsibility was also written into this Law.

While the state of Ohio inherited from the Northwest Territory the poor law principles that were English in origin, territorial legislation for the poor was succeeded by a simpler law in 1805. "Warning out," a New England practice, was also added to these principles. The warning to leave a township was given by an overseer and served by a constable. By 1898 the township trustees were providing public assistance to dependent persons in Ohio. At that time the "permanent paupers" were contracted to the lowest bidder, the "unsettled poor" were the expense of the county commissioners, "temporary paupers" were the responsibility of the township or municipal corporation, and those in need of partial relief were the township's burden. The able-bodied poor could be placed at work upon the highways or other public property.

Between 1898 and 1934, just prior to the passage of the Social

¹⁸ John T. Short, *Ohio: Sketch of Industrial Progress* as quoted by Aileen E. Kennedy, *The Ohio Poor Law and Its Administration* (Chicago: University of Chicago Press, 1934), p. 10.

Security Act, the poor relief system remained essentially as it was in 1898. The only significant change was that in 1927 the settlement law was made more stringent. Settlement could be acquired only by living for twelve consecutive months in a county without receiving public or private aid. A person who had acquired county settlement could secure township settlement only by living in the township for three consecutive months without receiving public or private aid.¹⁶

The influence of poor relief legislation of the Northwest Territory upon the development of poor relief in Iowa was quite marked. As Professor Gillin has shown, the origins of poor relief legislation of the Territory of Iowa may be traced to the statutes of the Territories of Wisconsin and Michigan which in turn had been adopted from the poor laws of the Northwest Territory. The first poor relief act was passed by the Legislative Assembly of Iowa in 1840 and "was almost a duplicate of the Wisconsin law approved on January 3, 1838."¹⁷

The principal features of the poor laws of the Northwest Territory and the Wisconsin Territory were found in the original Iowa poor law. After statehood was acquired the territorial poor laws were retained until the passage of section forty-eight on "The Settlement and Support of the Poor" of the Code of 1851. The Code of 1851 was similar to the laws of Ohio and Michigan where the county judge was the dominant figure in the administration of poor relief. In addition the usual Elizabethan principles were found in the law; relatives' responsibility, farming out of the poor to the highest bidder for their labor, use of the poorhouse except where some other plan seemed more desirable, and relief to the impotent in their own homes. Professor Gillin made a comparison between the Iowa law of 1851 and the Revised Statutes of the State of New York of 1848 and showed that Iowa "borrowed quite freely from the New York legislation."¹⁸

In 1873 Iowa adopted a comprehensive poor law which eliminated much of the patchwork legislation that had been passed regarding poor relief up to that time. This law substituted the county supervisors for the county judges as its administrators. Overseers of the poor could also be appointed in cities of the first and second class.

Iowa also accepted the New England system of warning out. This system originated with a territorial law of 1842 giving authority to the township overseers of the poor to issue the warning to depart,

¹⁶ Kennedy, *op. cit.*

¹⁷ John L. Gillin, *History of Poor Relief Legislation in Iowa* (Iowa City: The State Historical Society of Iowa, 1914), p. 44.

¹⁸ *Ibid.*, p. 80.

the warning being served by the constable. The 1851 Code provided that a written warning could be issued by the township trustees, the directors of the poor farm, or the county judge. This system was retained by the Code of 1873. According to this Code the order was to be issued by the township trustee or the county supervisors. Iowa has as a matter of fact been preoccupied with the problem of settlement and removal. This has been regrettable because English experience had shown the unwisdom of such legislation.¹⁹

The history of poor relief legislation in Kansas also shows a complete and unquestioning acceptance of the Elizabethan principles; local responsibility and legal settlement have never been abandoned. Special frontier conditions forced the state from time to time to supplement traditional poor relief by special legislation designed to afford temporary relief from pressing economic conditions. The first poor law was enacted by the Kansas Territorial Legislature in 1855 when the proslavery party was in power. As a result the law was based upon a Missouri statute. When the antislavery group came into power in 1859 this statute was repealed and was succeeded by a duplicate of the Indiana Poor Law. The only deviation from strict Elizabethan principles was in the omission of family responsibility.

Fortunately Kansas adopted the county rather than the township as the administrative unit. The New England almshouse, however, made its reappearance in Kansas as the county poor farm. Apprenticeship and binding out were also accepted at a very early date in the development of poor relief legislation. Through the years the traditional methods have been retained with very little change in Kansas. The joint system of indoor and outdoor relief was modified in 1906 when the poor farm became the fundamental poor relief institution. With the coming of the depression, in 1933, it became once again supplementary to outdoor relief.

Kansas like other states attempted to take certain special groups from under the poor law authorities. Such measures as mothers' pensions and pensions for the disabled are evidence of this trend. Special state legislation also occurred during periods of emergencies. Public opinion was in favor of special care for those affected during the "grasshopper scourge" of 1874-1875. Special legislation authorized the townships to issue bonds for relief purposes to be used to supply provisions, seed, and grain to the victims.²⁰ This law was tested in the supreme court of the state in 1875 and in a famous de-

¹⁹ Gillin, *op. cit.*

²⁰ Grace A. Browning, *The Development of Poor Relief Legislation in Kansas* (Chicago: University of Chicago Press, 1935).

cision the learned Justice Brewer, who afterwards served on the Supreme Court of the United States, declared the law to be unconstitutional. He reasoned that an unsound and dangerous principle was involved because the act was designed to aid a special class of persons.²¹

The history of the poor law in one of the newer western states, Montana, is of interest primarily because of the difference in constitutional interpretation of a case similar to the Kansas "seed and feed" decision. Montana had enacted a poor law as early as 1864, based upon the territorial acts of Washington and Idaho. The county was accepted as the administrative unit with the commissioners authorized to provide for the poor through a contract system or by appointing overseers. There have been few changes in the Montana poor law since this original territorial legislation. Special legislation, however, provided for certain classes who otherwise would have been cared for under the poor law. One example is the Seed Grain Act which was passed after a hard winter and the dry season of 1914 had ruined crops. This Act authorized counties to issue bonds for the purpose of providing grain to needy farmers.²² Its constitutionality of course was soon tested in the courts. In declaring the Act constitutional Justice Sanner said in reference to the Kansas decision that "though written by one of the foremost jurists of that era, it shows how even mighty minds are circumscribed by the spirit of their time."²³

As the pioneers trekked across the great plains of the Middle West, to the Rocky Mountains, and to the Pacific Coast they carried the Elizabethan Poor Law with them. The ancient principles were written into statutes with little thought of their applicability to the conditions of the West. Some innovations, however, were attempted by the newer states. The precarious conditions faced by the hard-working pioneer farmers because of drought and pestilence brought a change in attitude toward some dependent persons. The seed and grain acts of the western states have undoubtedly been a liberalizing influence in the administration of public assistance.

The doctrine of local responsibility was not adopted in the West with the harshness and inflexibility so prevalent in New England. The West followed the South rather than New England and the Midwest in its form of local government. County government in the

²¹ *State v. Osawkee Township*, 14 Kan. 322 (1875).

²² Frederic R. Veeder, *The Development of the Montana Poor Law* (Chicago: University of Chicago Press, 1938).

²³ *State ex rel. Cryderman v. Wienrich*, 54 Mont. 390 (1918).

West as in the South is primarily the result of the size of the typical unit of agriculture. There the plantations and the ranches do not lend themselves to township government. For whatever reason it was adopted the county is preferable to the township as a local unit for the administration of public assistance.

POOR LAWS STILL WITH US

With the exception of a few jurisdictions the poor laws are still with us. These laws as we have seen are the feudal remnants of a period in history that preceded our modern industrial-urban society. The advancing social welfare has brought the Social Security Act with its modern social insurance and public assistance provisions into existence. Federal aid is not provided, however, for poor relief, general assistance, or pauper relief. Many of the states have neglected to modernize their poor law systems and have failed to integrate the poor law as a fourth, or general assistance, category under the supervision of the state public assistance agency.

New York modernized its poor law in 1929 with the passage of the New York Public Welfare Law.¹⁴ The State of Washington abolished its old poor law system in 1937 and gave responsibility for the care of indigents who did not fit into the Social Security aid categories to the State Department of Social Security.¹⁵ Wisconsin has also made some progress along these lines. The laws relating to the relief of the poor were completely rewritten in 1945. The term *pauper* no longer appears in the Wisconsin statutes and legal settlement has been changed so that need, not geographical location, is the chief determinant in granting assistance.

While the spirit of administration rather than legal phraseology is the important factor in public assistance it is interesting to note the terminology of the poor laws. Miss Edith Abbott found in 1934 that the outmoded and disgraceful term *pauper* was used in thirty of our state poor laws. As Miss Abbott pointed out, the mere change in phraseology will not automatically mean a change in basic philosophy but it would be a recognition of the social changes that have taken place in the last century.¹⁶

One of the changes that must be made in order to modernize

¹⁴ *Laws of New York*, 1929, Ch. 565, pp. 1149-97.

¹⁵ Remington, *Revised Statutes of Washington*, X, "Annual Pocket Part," Title 67.

¹⁶ Edith Abbott, "Abolish the Pauper Laws," *Social Service Review*, Vol. VIII, No. 1 (March, 1934), p. 4.

completely our public welfare systems is to eliminate the poor laws with their outmoded, feudal administrative devices, their harsh language, and their inadequate standards. After more than three centuries of experience local responsibility has not been able to accomplish this. It will come only through state and federal financial assistance. The logical method to secure the abolition of the poor laws would be to create a fourth or general assistance category under the public assistance provisions of the Social Security Act.

POOR LAW PRINCIPLES

The longevity of the poor laws has been phenomenal. While many of the Elizabethan principles are deterrents in a modern society one cannot ignore the fact that one of the basic principles — public responsibility for the care of dependent persons — is compatible with the democratic way of life. But along with this principle we have also been forced to continue others that are regressive and from a social point of view, undesirable. A brief outline of these principles will allow the student to judge for himself the extent to which they have hindered progress in the development of social welfare.

Local Responsibility. It was quite natural in the days of Queen Elizabeth that the localities should assume responsibility for the administration of public assistance. Local government was at that time the only area of government that directly reached the people. This principle, however, has led to inadequate standards of assistance and inefficient and sometimes corrupt administration. Deterrent measures such as the "work test" and the publication of the names of recipients have been used to reduce the rolls. An unusual burden has been placed upon the overworked local property tax. Usually the localities that could least afford to have high tax rates for poor relief have had the largest volume of dependent persons.

The inadequacies of local responsibility were exposed everywhere during the depression. Federal "emergency relief" saved the day, but when the Social Security Act was passed in 1935 state after state retreated to the poor law system for the administration of general assistance.

Family Responsibility. Another Elizabethan principle that is unsuited to an industrial society is family responsibility. The poor laws in most of our states still specify that parents are to support their children and grandchildren and vice versa. Expensive and unworkable methods of enforcing this legal obligation are specified in the laws. Those who have had experience in the administration of

modern public assistance programs usually testify to the antisocial and wasteful nature of such procedures. Universally recognized social obligations, such as the responsibility for the care of one's parents, cannot be successfully enforced through legislation. The family as the basic unit in our society is not strengthened by these antiquated devices.

Legal Settlement. This principle which was enacted in England in 1662 as a logical corollary of the principle of local responsibility, makes each community responsible for the care of its own poor. As a consequence a barrier is erected which interferes with the mobility of labor. Legal settlement has led to much expense and useless litigation and with the main portion of the funds for the Social Security aids coming from the state and federal governments there is little need for its retention as an eligibility requirement. Although this principle has been retained in most states there have been some notably progressive developments. The state of Rhode Island, for example, has eliminated it as an eligibility requirement for all forms of public assistance.

SOCIAL LAG AND THE POOR LAWS

Many of the new states accepted the principles of the English poor laws of 1601 rather than those of the reforms to the poor laws of 1834. Thus the American states did not make provision for state supervision over the local authorities or for a larger unit of local administration than the township or county. This is not surprising, especially when we consider the primitive nature of early American states. The settlers were, in general, young in age and anxious to express their individuality through self-support. Even when the need arose for governmental aid for the dependent there was always a lapse of time before the enactment of the statutory remedy. This has been true the world over and has been called "social lag" by social scientists, particularly William F. Ogburn. In a democracy where all legislation is a result of compromise and deliberation is expected, this is especially true.

In many respects the state does its work in a more competent fashion than most of us care to admit. But it is also true that when the state lags too far behind the accepted social standard abuses and graft become prevalent and vested interests attach themselves like parasites to the body politic, looking upon the outmoded administrative machinery as a host that must be preserved at all costs. Vested interests of this sort plus the absence of vigilance on the part

of taxpayers and beneficiaries has resulted in the retention of many ancient poor law principles that should be legislated out of existence.

An example of social lag is the Illinois Poor Law of 1874, which with only minor changes, still furnishes the principles for the administration of general assistance in the state. The Law provided for county administration of poor relief. With the depression, in 1931 the legislature passed the "Finn Bill" giving financial responsibility of poor relief to the townships because the counties could not raise additional funds. During the early depression years the relief of "paupers" or "unemployables" remained the responsibility of more than 1400 independent local administrative units, while the federal government gave financial assistance to a temporary state commission which administered relief to the indigent "employables" in the counties. With the passage of the Social Security Act in 1935, all general relief became the responsibility of the states and/or the localities. In Illinois general relief is administered independently of the public assistance programs (old-age assistance, aid to dependent children, and aid to the blind) through the township overseers of the poor, who receive state grants. Thus the Elizabethan principles of 1601 with emphasis upon local responsibility, family responsibility, and residence requirements for the receipt of relief are still the foundation for the administration of general relief in the great industrial state of Illinois.

Some states have revised drastically their poor laws. The Social Security Act of the State of Washington, 1937, incorporated responsibility for the administration of pauper relief in its state public welfare department. Many states, such as Missouri, have state grants for general assistance, although they have not completely abolished the poor laws. Louisiana, a state that escaped the traditional Elizabethan poor law history, administers general assistance through the same administrative channels as the Social Security assistance categories. However, the appropriation for general assistance is generally inadequate because it is not given financial aid by the federal government under the Social Security program.

Thus the Elizabethan poor law principles with emphasis upon local responsibility, legal settlement as an eligibility requirement for public aid, and family responsibility are still with us. The retention by modern states of principles designed for a parochial and undemocratic society can hardly be described as social lag. From 1601 to the present may be, geologically speaking, a relatively short period of time but from the point of view of socio-economic organization it is a millennium. The "poor law mentality," as the Webbs characterized it,

is still the guiding star of our general assistance programs in the various states; indeed, very few states have legislated the poor laws completely out of existence. This is more than social lag, this is social backwardness. The student of the development of modern public welfare administration must remember that the poor law principles of 1601 as well as modern social security legislation are part and parcel of the American system.

Selected Bibliography

- Roy M. Brown, *Public Poor Relief in North Carolina* (Chapel Hill: University of North Carolina Press, 1928).
- Grace A. Browning, *The Development of Poor Relief Legislation in Kansas* (Chicago: University of Chicago Press, 1935).
- Margaret D. Creech, *Three Centuries of Poor Law Administration* (Chicago: University of Chicago Press, 1936).
- Emil Frankel, *Poor Relief in Pennsylvania* (Harrisburg: Department of Welfare, 1925).
- John L. Gillin, *History of Poor Relief Legislation in Iowa* (Iowa City: The State Historical Society of Iowa, 1914).
- William Clinton Heffner, *History of Poor Relief Legislation in Pennsylvania, 1682-1913* (Cleona, Pennsylvania: Holzopfel, 1913).
- Marcus W. Jernegan, *Laboring and Dependent Classes in Colonial America* (Chicago: University of Chicago Press, 1931).
- Aileen E. Kennedy, *The Ohio Poor Law and Its Administration* (Chicago: University of Chicago Press, 1934).
- David M. Schneider, *The History of Public Welfare in New York, 1609-1866* (Chicago: University of Chicago Press, 1938).
- Emil M. Sunley, *The Kentucky Poor Law, 1792-1936* (Chicago: University of Chicago Press, 1942).
- Frederic R. Veeder, *The Development of the Montana Poor Law* (Chicago: University of Chicago Press, 1938).

PART TWO

The Formative Years
in Public Welfare

- 5. The Rise of State Agencies

EARLY STATE INSTITUTIONS AND SPECIAL CLASSES OF STATE DEPENDENTS

Special colonial and state institutions were provided at an early date for certain classes of dependent persons. The recognition of an obligation by the state was a reaction against the inadequate and inefficient care given by the local overseer of the poor and the local institutions, rather than a reaction against the concept of local responsibility. In general this special state provision was made for the insane, the criminal, the deaf and dumb, the blind, the delinquent, and the feeble-minded.

The first institution for the insane was established at Williamsburg, Virginia, in 1769. According to the preamble of the act creating the institution, several persons of insane and disordered minds "have been frequently found wandering in different parts of this colony, and no certain provisions have been made either towards effecting a cure of those whose cases are not become quite desperate, nor for restraining others who may be dangerous to society . . ." Local responsibility was not able to cope with the special problems of the dependent insane.

The Williamsburg institution was administered by a "court of directors." They were empowered to purchase land for a suitable location convenient to the city of Williamsburg and to contract for the erection of the institution. In addition they were to select a "proper keeper and matron" and to call upon physicians and surgeons "for the assistance and relief of such poor patients." Persons were to be committed by the local magistrates in accordance with "such measures as his or her case may require."

Hospital care had previously been provided for the insane but the Williamsburg institution, which was erected in 1773, was the first special institution. When the Pennsylvania Hospital was completed in 1753 mentally ill patients were received. The insane were often chained in iron rings and fitted with a "madd-shirt," a device reaching below the knees which deprived the person of motion. Boston had on several occasions been on the verge of establishing a special institution for the insane since 1730. The Williamsburg in-

stitution remained the only separate hospital for the insane in America until half a century later when the Eastern Lunatic Asylum was established in 1824 in Lexington, Kentucky.¹ Throughout the first half of the nineteenth century the Poorhouse cared for most of the insane.²

Criminals were the second group in need of special state care rather than local care. In 1790 the Pennsylvania legislature provided that a jail located on Walnut Street in Philadelphia should be remodeled to receive the prisoners of the old High Street Prison. Two classes of prisoners, those who had committed serious offenses and those who had committed lesser crimes, were to be kept in the Walnut Street Prison. The law provided a rough basis for the classification of prisoners, the beginning of the rational treatment of prisoners. The serious offenders were confined in sixteen solitary cells and the less hardened and dangerous were lodged in large rooms. Convicts in the solitary cells were not provided with any work but the other convicts were to work in shops during the day. The Walnut Street Prison was of national significance because it became the pattern for numerous other state prisons. It established the pioneer prison system of the United States which lasted nearly forty years. As one European visitor, a Doctor Julius of Prussia noted, this penitentiary house was the "cradle of the American system of reformatory discipline." An unpaid board of managers called inspectors were appointed from among the citizens by the mayor and two aldermen to govern the Walnut Street Prison. A subcommittee of the board made weekly visits to the prison in order to supervise in detail its management. In addition the prison was visited daily by one or more of the inspectors, who "took great delight and were indefatigable in the execution of the humane task allotted to them."

Other states in looking for a model for a state prison followed the lead of Pennsylvania. New York built a state prison in 1796, Virginia in 1800, Massachusetts in 1804, Vermont in 1808, Maryland in 1811, and New Hampshire in 1812.³ Harry Elmer Barnes has declared that there were two sets of influences which gave impetus to

¹ Albert Deutsch, *The Mentally Ill in America* (New York: Doubleday, Doran, 1930), pp. 55-71.

² John L. Gillin, *Poverty and Dependency* (New York: Appleton-Century, 1937), p. 291.

³ Orlando F. Lewis, *The Development of American Prisons and Prison Customs, 1776-1845* (New York: The Prison Association of New York, 1922), pp. 25-32. See also Blake McKelvey, *American Prisons: A Study in American Social History Prior to 1915* (Chicago: University of Chicago Press, 1936), pp. 5-16.

the prison system in America. One was the general social forces which made for reform of all kinds in the eighteenth century; the other was the specific attempts to reform criminal jurisprudence and penal administration during the same period. This latter set of forces centered around the writings of Beccaria and Howard. Philadelphia was particularly susceptible to these forces. Numerous Frenchmen had brought rationalism, with its emphasis upon the "greatest happiness for the greatest number," to that city and many important Philadelphians, such as Benjamin Franklin, had been in France during the late Revolutionary period. The philosophy of Montesquieu, particularly in relation to the doctrine of the separation of the powers, was brought to America in part at least by these visitors.⁴ To these forces should be added the demonstrated inadequacies of local responsibility to properly care for these special wards of the state.

The deaf and dumb were another group for whom special state care was provided. Kentucky was the first state to provide a special public institution. The trustees of the Central College at Danville, Kentucky, were the governing body of the institution. They were empowered to receive donations and legacies and to appoint "teachers and other officers that they may think necessary." A committee of twelve ladies selected by the trustees were to "aid in the management of the asylum." Indigent children, irrespective of residence in the state, were to be supported gratuitously, but those families who had resources were to provide for the keep of their children. Three private schools had previously been established at Hartford, New York, and Philadelphia to provide education for the deaf but the establishment of the Kentucky school started a new era. Many states followed Kentucky's example: Ohio in 1829, Virginia in 1838, Indiana in 1844 after a private school had been started in 1841, and Georgia in 1846. The Kentucky school had a pronounced influence upon developments in other states. For example the Tennessee school was started in 1845, "after an exhibit of pupils from Kentucky." By the middle of the nineteenth century there were schools for the deaf and dumb in a dozen American states.⁵

In the beginning the schools for the deaf were founded as charitable or benevolent institutions. This was true not merely of private institutions but also of state schools. The governor of Minnesota, for

⁴ Harry Elmer Barnes, *The Story of Punishment: A Record of Man's Inhumanity to Man* (Boston: Stratford, 1930), pp. 120-22.

⁵ Harry Best, *Deafness and the Deaf in the United States* (New York: Macmillan, 1933), pp. 395-98.

example, referred to the state school in 1867 as "this noble charity." The promoters of these schools were concerned with deaf and dumb children who were in poverty. Early statutes frequently mentioned "care, aid, and support" of these poverty-stricken children. A New York statute spoke specifically of "the support and maintenance of those whose parents are unable to care for them."⁶ Local responsibility had proved to be inadequate to deal with the deaf and as a result they became special wards of the state. These state schools for the deaf were operated by small bodies of citizens sometimes with the "power to choose the seat of its operations." In Florida and Kansas the state board of education was the governing body, in Arizona and Utah the schools were in the beginning attached to the state university, and in Oklahoma the school was affiliated with the state normal school. As we have already noted the Kentucky school was placed under the trustees of Central (later Centre) College where it remained for more than fifty years.⁷

State care for dependent and delinquent children came about as a revolt against the placing of children in local "mixed almshouses." The first institutions were private orphan asylums, but as early as 1847 Massachusetts passed a law for the establishment of a state reform school, the first state institution for delinquent boys. Although this was a specialized institution for juveniles it was still a miniature prison rather than a reformatory. The Ohio Industrial School for Boys, originally the Ohio State Reform School, which was established in 1854 was the first true reformatory. Gradually the number of such institutions increased and in 1900 there were sixty-five.⁸

The effort to segregate delinquent children resulted in state laws demanding the removal of children from almshouses. Ohio passed such a law in 1866, Massachusetts in 1872, and Wisconsin in 1873. In Michigan the children were cared for in the Michigan State Public School, established in 1874 as a result of Governor Baldwin's visits to several poorhouses in 1869. He appointed a commission which made an exhaustive two-year study of the dependent children in county almshouses. They found more than six hundred dependent children under the age of sixteen living in almshouses under degrading influences and surroundings.⁹

⁶ *Ibid.*, pp. 403-04. ⁷ *Ibid.*, p. 426.

⁸ John L. Gillin, *Criminology and Penology* (New York: Appleton-Century, 1945), p. 502.

⁹ Henry W. Thurston, *The Dependent Child* (New York: Columbia University Press, 1930), pp. 36-37.

The mentally deficient were likewise provided with special state care. In 1846 Dr. F. P. Backus introduced a bill in the New York legislature for the establishment of a State Asylum for Idiots which was defeated. An inquiry was made the same year by Massachusetts "into the condition of idiots in the Commonwealth" and a School for Idiots under the superintendency of the celebrated Dr. Samuel Gridley Howe was opened in South Boston, October 1, 1848. This was the first state institution for the teaching of the feeble-minded. It was later moved to Waverly and is now the Walter E. Fernald State School. New York enacted the proposed legislation of 1846 in 1851 when a State School for Idiots was opened at Albany. A private school for the feeble-minded was started in Germantown, Pennsylvania, in 1852; after 1854 it was partially state supported. Ohio established a school at Columbus in 1857 and in 1858 one was opened at Lakeville, Connecticut. Fourteen states operated institutions of this sort by 1890.¹¹

Another special group who were given state care in some jurisdictions were dependent persons without legal settlement within a state. Prior to 1639 in Massachusetts, the towns appeared to have done as they pleased regarding the admission of persons to legal settlement. In 1639 the towns were required by the state to dispose of all "unsettled persons" into "such towns as they shall judge to be most fit." In 1665 they returned to the former system, but in 1704 the period of residence required for legal settlement became one year and in 1766 it became impossible "to gain a settlement by any length of residence." A person made application to the selectmen which had to be approved by vote of all the inhabitants assembled in a town meeting. Soon a special category of state paupers or state poor began to develop. Relief for these persons was provided by the state as early as 1675, but it became extensive only after 1766. With the development of factories the harsh law of settlement caused a marked increase in the number of state poor and by 1832 the number was almost as great as the town poor.

Many of the Massachusetts towns were without almshouses and were in the habit of disposing of the poor by auctioning their services to the lowest bidder. Because the state poor were farmed out to the towns they were usually turned over to these contractors who bought their services at auction. This was not only inhumane but enabled many towns actually to profit at the state's expense. In spite of the

¹¹ Stanley P. Davies, *Social Control of the Mentally Deficient* (New York: Crowell, 1930), pp. 36-38.

fact that the state paid the bill it did not have a central supervisory authority.¹¹

Similar provisions were made in other eastern states, particularly in New York. In 1809 a special category of county poor was recognized by statute. Unsettled poor persons who could not be moved to the place of legal settlement on account of sickness were made chargeable to the counties. This finally led to a county system of relief in the 1820's. During the transition from town to county administration a policy of state aid for special groups also developed. This had started as early as 1778 with aid for the dependent families of New York soldiers who had participated in the Revolution. With the establishment of the State Board of Charities in 1867 a State Paupers Act provided state assistance for dependent persons who did not have legal settlement in any county. This group became known as the State Poor.¹²

NEED FOR A CENTRAL STATE AUTHORITY

The various institutions established in the states were administered by separate boards. Theoretically the governor and the legislature were expected to supervise and coordinate their efforts in a general way, but men with so many duties had little time to supervise the charitable and correctional institutions of a state. Massachusetts, for example, had in 1859 three lunatic asylums, a reform school for boys, three state almshouses for the care of the state poor or alien poor, a hospital, and an industrial school for girls. In addition, four charitable institutions received annual state grants — the Perkins Institution and the Massachusetts Asylum for the Blind at South Boston, the American Asylum for the Deaf and Dumb at Hartford, Connecticut, the Massachusetts Eye and Ear Infirmary at Boston, and the School for Idiotic and Feeble-Minded Youth at South Boston. Each of these institutions was managed by a separate board of trustees, but the legislature was not concerned with their administration other than financially. Each was created without special reference to the others and in no degree as a part of a uniform state system.

¹¹ Robert Harvey Whitten, *Public Administration in Massachusetts*, Studies in History, Economics, and Public Law, Vol. VII, No. 4 (New York: Columbia University Press, 1898), pp. 40-44.

¹² John Archibald Fairlie, *The Centralization of Administration in New York State*, Studies in Economics, History and Public Law, Vol. IX, No. 3 (New York: Columbia University Press, 1898), pp. 79-84.

A special legislative committee pointed out anomalies in the organization of these institutions which increased the expense of operation and management. The lunatic hospitals had five trustees, the reform and industrial schools seven each, and the almshouses and the pauper hospital three each. "There may perhaps be good reasons for these differences in organization. Our present purpose in mentioning them," declared the committee's report, "is simply to indicate the obvious fact that a want of symmetry so palpable on the surface betrays an absence of system — of adaptation of different parts to each other — which cannot fail to produce confusion and loss."¹²

A similar situation was evident in New York. The State Lunatic Asylum at Utica was opened in 1843 and was the first state-owned and operated institution. A State Asylum for Idiots was established in 1851, the New York Institution for the Instruction of the Deaf in 1857, and a State School for the Blind in 1865. The rise of these institutions, each of which was separately managed, required the services of a central supervisory authority.¹⁴

Conditions in midwestern states were like those in Massachusetts and New York. An Illinois report of 1870¹⁵ stated that "the greatest of all the faults in the construction of our county prisons is the absence of any means of classifying the prisoners. The sane are not separated from the insane . . . The sexes are not always separated from each other . . ." A report in Ohio¹⁶ condemned the poorhouses and the county jails and like the Illinois report stressed the need for a central state authority. In 1873 a conference was held in Chicago to consider the problems of county jails. "A minute and careful examination of the jails of Illinois, Wisconsin, and Michigan . . . reveals the fact that as proper places of punishment, they fail to accomplish the object of their creation . . . They are an absurd attempt to cure crime." What was needed, the report emphasized, was a state agency for supervision of these local jails.¹⁷

Dr. Virgil E. Long in his intensive unpublished study of the development of state supervision of public charities and institutions in

¹² *Massachusetts State Charities: Report of the Special Joint Committee to Investigate the Whole System of the Public Charitable Institutions of the Commonwealth of Massachusetts, During the Recess of the Legislature in 1858* (Massachusetts Senate Document No. 2, 1859), pp. 3-10.

¹⁴ David M. Schneider, *The History of Public Welfare in New York State, 1609-1866* (Chicago: University of Chicago Press, 1938), pp. 378-79.

¹⁵ Board of State Commissioners of Public Charities of Illinois, *Report to the Governor, 1870*.

¹⁶ *Second Annual Report of the Board of State Charities of Ohio, 1869*.

¹⁷ *Report of the Conference of State Boards, 1872*.

Wisconsin declared that there were many diverse conditions which brought the State Board of Control into being. The well-constructed and well-ordered local jail or poorhouse was seldom found in the state and numerous irregularities existed in the management of state institutions. According to Dr. Long "the inefficiency of decentralized supervision and control" was clearly established on five points. In the first place, there was a pronounced lack of efficiency and economy in the management of the state institutions. Secondly, the inmates of local almshouses and jails were often treated in cruel and inhuman ways. Thirdly, some of the officials had committed fraudulent acts. Fourthly, there was a need for increased institutional facilities. Finally, certain classes of dependent persons were uncared for. Dr. Long concluded that "the evils of the poorhouses and jails were not peculiar to this state, but similar conditions were found generally throughout the United States."¹⁸

MASSACHUSETTS STATE BOARD OF CHARITIES

The first development in the supervision of state charitable institutions and agencies was the Massachusetts Board of State Charities established in 1863. Suggestions had previously been made to unify the state's charitable institutions and agencies.¹⁹ Immigration from abroad had been increasing and, for more than ten years, an Alien Commissioner had partial control over the facilities for the care of the state poor.²⁰ Many able men were concerned with the problems of public charity in Massachusetts. They were convinced that "if ever there was a system at loose ends, it is the present pauper system of Massachusetts. There is a total want of harmony between the administrative elements . . . In truth, there is an evident feeling of jealousy prevalent, and a want of centralized authority injurious to the interests of the state. Unison, cooperation, oneness, is eminently desirable."²¹

The Massachusetts Board was established with seven men and a paid secretary, general agent, and several clerks. While managers

¹⁸ Virgil E. Long, "State Supervision and Control of Welfare Agencies and Institutions in Wisconsin" (Unpublished Ph.D. dissertation, University of Wisconsin, 1940), p. 60.

¹⁹ *Report of the Joint Standing Committee on Public Charitable Institutions* (Massachusetts Senate Document, No. 63, 1858).

²⁰ *Acts and Resolves Passed by the General Court of Massachusetts in the Year, 1852*, Chap. 225. See also *Ibid.*, 1851, Chap. 342.

²¹ *Report of the Joint Standing Committee on Public Charitable Institutions* (Massachusetts Senate Document, No. 63, 1858).

retained control over their respective state institutions, the Board had certain definite and specific duties. It acted as an alien commission, supervising the care of state paupers, and it inspected and reported on all charitable and correctional work done in the state including the activities of local jails. Among its first duties were arranging for the examination of more than 18,000 immigrants; removal of 2000 to 3000 persons per year; securing the return of public charges from 334 cities; and the inspection of three lunatic hospitals, four hospitals, three reform schools, the state prison, five other state institutions, and scores of local jails.

The membership and the caliber of its paid staff was in no small way responsible for the success of the Board's undertakings. For ten years, five of them spent as president, Dr. Samuel Gridley Howe, the eminent physician-philanthropist, was a member. Dr. Howe was one of the important men in the development of American philanthropy in the nineteenth century. He was a romantic character whose life was "adventurous, and at the same time full of beneficent activity." Graduating from the Harvard Medical School at twenty-three he went to Greece to serve in the patriot army in its war for Greek independence. Upon his return to the United States he became interested in a project for teaching the blind and pioneered in this field at the Massachusetts School and Asylum for the Blind. Later he experimented in the teaching of idiotic children and established the Massachusetts School for Idiotic and Feeble-Minded Youth. He also found time to serve as a member of the state legislature from 1840 to 1846, to be an active supporter of the Boston Prison Discipline Society, to campaign for abolition through the Emigrant Aid Committee, and to serve as a member of the Sanitary Commission (a forerunner of the American Red Cross) during the Civil War.²² The Board was also very fortunate in having as its first secretary Frank B. Sanborn, a young man of intelligence, ability, and energy.

The Massachusetts Board embarked upon its work with the energy, enthusiasm, and efficiency which so often characterizes a pioneer project in social reform. Instructive and informative statistical data were gathered; legislation was suggested to reduce the number of unsettled poor; and a plan of classification was suggested in order to promote a more intelligent use of state institutions. At the end of five years this resulted in a great reduction in the number of state paupers and order had been brought into the administrative structure of the state's institutions.

²² Edith Abbott, *Some American Pioneers in Social Welfare* (Chicago: University of Chicago Press, 1937), pp. 88-97.

The Board was not content with merely administering its statutory duties with efficiency and dispatch; in addition it became an instrument of national leadership for social welfare. As early as 1857 Dr. Howe had argued against placing dependent persons in asylums. He convinced the Board that it should place children who were state charges in the care of private families where they would lead more nearly normal lives. In 1869 the governor created a State Visiting Agent to supervise this work, thus instituting a plan whereby a representative of the Board attended every trial of a juvenile delinquent and reported the circumstances of each case. Supervision was given to those children who were not sent to state institutions. This was the beginning of public foster home care and juvenile probation in the United States.

SUPERVISORY AUTHORITIES IN OTHER STATES

The experience in Massachusetts soon led to similar developments in other states. As early as 1847 an act of the New York legislature provided for the election of three prison inspectors in accordance with the constitution of 1846.²² The interest of a lawyer, John L. Pruyn, in the bad management of an almshouse in Albany led him to campaign for state supervision of public charities. An appeal was made to the governor and in 1867 the legislature created the Board of State Commissioners of Public Charities with Pruyn as Chairman. Dr. Charles S. Hoyt who had been chairman of the Committee on State Charitable Institutions was made secretary of the Board and served until his death more than thirty years later. The New York Board started with visitatorial and supervisory powers over charitable and correctional institutions receiving state aid and over county and city almshouses. The members had no authority over the state prisons. In 1873 the name was changed to the State Board of Charities and a new law extended its powers of visitation to all charitable, correctional, or reformatory institutions (prisons excepted) in the state. The New York Board was given some slight powers over the removal of insane persons in 1873 and in 1880 it was empowered to return alien paupers to foreign countries. It also supervised, beginning in 1880, programs of boarding state paupers in selected local almshouses.

In spite of the addition of certain administrative functions the Board's chief activities were supervisory. Of particular significance

²² *Laws of the State of New York, 1847*, Chap. 460.

are the studies, inquiries, and reports that were made on the administration of outdoor relief, the causes of pauperism, the condition of the insane and feeble-minded, and the population of local almshouses. This was research with a purpose and resulted in improved standards and corrective legislation. Through this research the board secured the classification of inmates in almshouses, improved care for the insane, and a pronounced reduction in the number of children in almshouses.²⁴

Ohio established a Board of State Charities in 1867 as the direct result of a legislator's interest in state supervision of charitable institutions. Entirely supervisory in character the Board visited and reported on all charitable, correctional, and penal institutions supported by taxation. One of its most diligent campaigns was for the removal of children from almshouses. In fact the members were so ardent that the board was abolished in 1872. It was revived in 1876 under the governorship of Rutherford B. Hayes, later President of the United States, who took a very active interest in the board's activities. General R. Brinkerhoff,²⁵ an able and enthusiastic man, served as Chairman for many years. The Secretary was also an able man, the Reverend A. G. Byers. The history of this Board is virtually the history of reform in the social welfare field from 1875 to 1900 in Ohio. Its efforts resulted in supervision by the county of local institutions, the separation of prisoners in county jails, the creation of a system of graded prisons, the adoption of an indeterminate sentence law, and the establishment of special provisions for the care of epileptics. It remained essentially a supervisory body during the nineteenth century although it was given in 1896 the power to transfer aged deaf and dumb inmates from local almshouses to proper state institutions. In 1898 it was granted authority to approve all plans for new charitable or correctional institutions. Like the Massachusetts Board it encouraged the placement of dependent children in private homes.

Pennsylvania established a State Board in 1869. As in other states the Board's powers and duties were largely those of inspection and suggestion, although they were empowered to approve or reject plans for local jails and almshouses. It displayed the intelligent and enlightened social aggressiveness that was characteristic of boards in other states. It was instrumental, among other things, in

²⁴ Jeffery R. Brackett, *Supervision and Education in Charity* (New York: Macmillan, 1903), pp. 27-30.

²⁵ See his report on the Ohio Board of Charities, *Proceedings of the National Conference of Charities and Corrections, 1881*, pp. 81-82.

securing the passage of a law which prohibited the retention of children in almshouses.²⁰

The Illinois Board was likewise established in 1869. From its very inception it displayed a distinct interest in central financial supervision which culminated in the adoption of the Illinois Administrative Code in 1917, an important milestone in the development of state public welfare agencies. The governor apparently sought the advice of the Board in regard to appropriations and it was able to prescribe uniform accounting procedures for all institutions in the state.²¹

The Reverend Oscar C. McCulloch reported to the National Conference of Charities and Corrections in 1889 that the Indiana Board of Charities was established in that year after six years of hard work. "Before the legislature came together, while the newly elected men were in that impressionable state in which every new legislator is when he is desirous of useful information, we used to send them, about once a week, various papers on State Boards of Charities . . ."²² Although this Board was purely advisory it made many notable improvements by securing the interest of the public and the press. Some of its accomplishments were measured in economic terms; the cost of maintenance of inmates in state institutions was reduced and supervision over the expenditures of local outdoor relief resulted in "a saving of over \$400,000 a year, and a diminution in the poorhouse population over that of ten years ago — a great social gain."²³

Connecticut established a State Board of Charities in 1873 composed of five members, three men and two women. It was not very active until it was reorganized in 1884 with a full-time paid secretary.²⁴ It served as an inspectional authority for all "institutions for the care or support of the dependent or criminal classes" and as a prison commission and a lunacy commission. Beginning with the year 1884 it also acted as the placing-out agency for children in county institutions.²⁵

²⁰ Report of Dr. Diller Luther, Secretary of the Board of Charities of Pennsylvania, *Proceedings of the National Conference of Charities and Corrections, 1875*, pp. 19-20; Report by the Rev. J. L. Mulligan, *ibid.*, 1879, pp. 19-20.

²¹ Brackett, *op. cit.*, pp. 43-44. See also Report by George S. Robinson in *Proceedings of the National Conference of Charities and Corrections, 1882*, pp. 51-54.

²² "Minutes and Discussions," *Proceedings of the National Conference of Charities and Corrections, 1889*, p. 215.

²³ Brackett, *op. cit.*, p. 56.

²⁴ *Ibid.*, p. 48.

²⁵ "Report from Connecticut," *Proceedings of the National Conference of Charities and Corrections, 1885*, pp. 33-36.

Minnesota established a State Board of Charities and Corrections in 1883. It was modeled originally upon the Ohio system of advice, inspection, and supervision. Additional powers, especially relating to the protection of children in local institutions, were soon given to it. In sixteen years of existence forty-seven of its eighty-three recommendations were fully accepted by the legislature. It was succeeded in 1901 by an administrative board, the State Board of Control.²²

In Wisconsin the State Board of Charities and Reform, established in 1871, also gravitated at a relatively early date from supervisory to definite administrative power. During its early years it was empowered to condemn unfit local jails, to prevent the building of jails deemed by it to be improper, and to refuse state aid to county asylums that were unfit. The first board on which a woman served, it was able to bring about many improvements in the public charities of the state, especially in the county institutions. A political upheaval in 1890 led to its reorganization as a Board of Control with many definite administrative rather than supervisory responsibilities.²³

By 1886 H. H. Giles of Wisconsin was able to report to the National Conference of Charities and Corrections that twelve states had boards of charities — Connecticut, Illinois, Massachusetts, Michigan, Minnesota, New Jersey, New York, Ohio, Kansas, Pennsylvania, Rhode Island, and Wisconsin. Giles declared that although the statutory basis of the boards was different and their organizational structure was not uniform, they all had a similar purpose: to bring the institutions they supervised directly under the eye of the state. At that time the main functions of all state boards were advisory, but in some states they had acquired administrative authority. In New York, Pennsylvania, and Massachusetts members of the boards were commissioners of immigration and they also had authority to remove paupers to counties from whence they came. The Wisconsin board possessed the right to remove the chronic insane from one institution to another. In Kansas and Rhode Island the boards were "purely administrative" because they served as boards of trustees for all state institutions.²⁴

The state boards were very alert to their responsibilities. The

²² Samuel G. Smith, "The Board of Control in Minnesota," *American Journal of Sociology*, Vol. VI, No. 6 (May, 1901), pp. 778-82.

²³ Bennett O. Odgaard and George M. Keith, *A History of the State Board of Control of Wisconsin, 1849-1939* (Madison: State Board of Control, 1939).

²⁴ H. H. Giles, "Report of the Committee on State Boards of Charities," *Proceedings of the National Conference of Charities and Corrections, 1886*, pp. 19-26.

members often believed that "a state Board of Charities is the most advanced achievement of government philanthropy." They were embarking upon crusades "seeking to lessen degradation, suffering, vice and crime" and laboring to uplift the dependent, defective, and delinquent classes to "nobler lives, purer homes, and better citizenship." In "God's good time," they believed they would live to see "a United States Board of Charities." It is little wonder that such zeal and enthusiasm led to more and more administrative responsibilities, setting the stage for a controversy regarding the relative merits of supervision versus administration.

ACCOMPLISHMENTS OF THE STATE BOARDS

Frank B. Sanborn, writing in 1887, assessed the importance of these boards in the development of American social policy. He believed beneficial results could be classified: (1) improved treatment for the mentally ill; (2) a decrease in pauperism; (3) better care and protection for children; (4) reforms in the criminal law; (5) the control of immigration "as affecting insanity, pauperism, and crime"; (6) more efficient and economical administration.³⁶ Sanborn offered careful documentation for his claims and in conclusion declared that "an important examination of what the state boards have done within the past twenty years will convince any person of their utility."

It must be admitted that they were able to secure improved treatment for the mentally ill. In Massachusetts, Ohio, and New York they were created, in large part, because of the shocking caliber of care afforded the insane in those states. As Sanborn pointed out, these boards were "early drawn to the subject of insanity . . . and to the provision needing to be made for its treatment with a view to recovery."³⁷ They secured an increase in the medical staff in many states, commitment procedures were improved and humanized, and physical facilities were expanded and improved. This was a period when the number of cures effected appear to have been stated in highly optimistic terms and some of the claims of the boards on this point are questionable.³⁸ Nevertheless the treatment of the insane became more skillful, restraint and seclusion disappeared as everyday necessities, and occupational therapy was introduced.

³⁶ Frank B. Sanborn, "Work Accomplished by the State Boards," *Proceedings of the National Conference of Charities and Corrections, 1887*, pp. 75-101.

³⁷ *Ibid.*, p. 77.

³⁸ See Albert Deutsch, *The Mentally Ill in America* (New York: Doubleday, Doran, 1938), Chap. VII, "The Cult of Curability and the Rise of State Institutions," pp. 132-57.

The boards were not so successful in dealing with the problem of pauperism which they usually blamed upon the hordes of poor immigrants from Europe and intemperance among the native working class. They endeavored to check the growth of pauperism by increased efforts to educate and to care for dependent and neglected children.

At the time the boards were first established (1863-1870) dependent children were usually cared for in poorhouses in association with the insane, the infirm, the incurably diseased, and the feeble-minded. The reformers described the poorhouses as "a painful heterogeneous mass of humanity . . . How impossible to prevent these smitten creatures preying upon one another in the diseased conditions of body and mind."³⁸ In many states — notably Massachusetts and Michigan — special state care came to be provided for dependent children, and in all states the number of children in poorhouses greatly diminished.

Most of the boards had authority to inspect prisons and local jails and they labored to promote better prison legislation, to improve prison management, and to take steps for the re-education and reformation of criminals. The Massachusetts Board, for example, secured the establishment of a special reformatory for women in 1877. The state boards in Michigan, Ohio, Illinois, and Wisconsin were also active in prison reform.³⁹

Several of the boards (New York and Massachusetts in particular) were aware of the "great part which foreign immigration plays in the increase of our social evils." The boards in other states "gradually perceived the same evils," and urged Congress to make immigration subject to national regulation. This was done as early as 1882, but the laws were not too effective. They were convinced that there was a disproportionate number of lunatics, criminals, and paupers among immigrants and their children. "To some extent, this evil is increased by the blending of foreign races in our large cities." In spite of an inadequate and incorrect diagnosis of the problem Sanborn said "the Boards of Public Charity in the past have had frequent occasion to comment on this, and must continue to do so in the future."⁴⁰

³⁸ Presidential address by the Right Rev. George D. Gillespie, *Proceedings of the National Conference of Charities and Corrections, 1889*, pp. xxi-xxiii.

³⁹ A. H. Young, "Reformation in Penal Treatment," *Proceedings of the National Conference of Charities and Corrections, 1883*, pp. 177-88; and E. H. Hall, "Reformation of Criminal Girls," *Ibid.*, pp. 188-99.

⁴⁰ Sanborn, *op. cit.*, pp. 98-100.

The trend toward more economical and efficient administration was almost as important as the results in social reform. As we have already noted, one of the principal activities of the Illinois Board was to prepare budget estimates and supervise expenditures over the charitable institutions. Many other boards were given similar responsibilities. The charitable institutions of the states became well administered and set examples for other state services which resulted in an economy and efficiency movement, which will be discussed in a later chapter. The boards also investigated the subject of uniform statistical reporting. At the request of F. H. Wines of the Illinois Board special committees of the National Conference of Charities and Corrections were appointed to work on this problem. As early as 1885 Wines was aware of the necessity for uniform and precise factual data as the basis for social reform.⁴¹

The boards also provided the stimulation and leadership which resulted in the establishment of the National Conference of Charities and Corrections, later known as the National Conference of Social Work. The Conference was founded in 1871 when the representatives of the state boards of charities of Connecticut, Illinois, Kansas, Massachusetts, Michigan, New York, Rhode Island, and Wisconsin met "to better get acquainted, to discuss questions of common interest, to meet for mutual benefit and encouragement." Seventy-nine persons (only one of whom was a woman) started an organization destined to become a great national forum on social problems and social policy.⁴² It is significant, as Dr. Ellen G. Potter noted in her presidential address of 1945, that the conference was "created to meet a governmental need." As a matter of fact the charity organization movement did not come into being in America until 1877 and it was not until 1890 that the private charitable societies dominated the conference.⁴³

Selected Bibliography

Edith Abbott, *Some American Pioneers in Social Welfare* (Chicago: University of Chicago Press, 1937).

⁴¹ F. H. Wines, "Uniform Statistics," *Proceedings of the National Conference of Charities and Corrections*, 1885, pp. 390-93.

⁴² For the history of the National Conference of Charities and Corrections (which changed its name to the National Conference of Social Work in 1917) see Frank J. Bruno, *Trends in Social Work* (New York: Columbia University Press, 1948).

⁴³ Ellen C. Potter, M.D., "The Year of Decision for Social Work," *Proceedings of the National Conference of Social Work*, 1945, p. 4.

- Harry Elmer Barnes, *The Story of Punishment: A Record of Man's Inhumanity to Man* (Boston: Stratford, 1930).
- Harry Best, *Deafness and the Deaf in the United States* (New York: Macmillan, 1933).
- Jeffery R. Brackett, *Supervision and Education in Charity* (New York: Macmillan, 1903).
- Frank J. Bruno, *Trends in Social Work* (New York: Columbia University Press, 1948).
- Stanley P. Davies, *Social Control of the Mentally Deficient* (New York: Crowell; 1930).
- Albert Deutsch, *The Mentally Ill in America* (New York: Doubleday, Doran, 1930).
- Orlando F. Lewis, *The Development of American Prisons and Prison Customs* (New York: The Prison Association of New York, 1922).
- Proceedings of the National Conference of Charities and Corrections, 1874-1906.*
- Henry W. Thurston, *The Dependent Child* (New York: Columbia University Press, 1930).

6. The Beginnings of Federal Aid

SIGNIFICANCE OF FEDERAL AID

Financial aid from the federal and state governments has been responsible in large measure for the phenomenal growth of our public welfare services. Federal grants-in-aid have been increasingly important since the establishment of the Emergency Relief Division of the Reconstruction Finance Corporation in 1932 and the Federal Emergency Relief Administration in May, 1933. The Social Security Act, passed in August, 1935, permanently established the grant-in-aid. In 1947 federal funds accounted for 52 per cent of our expenditures for old-age assistance, 38 per cent of our expenditures for aid to dependent children, and 50 per cent of our expenditures for aid to the blind.¹

It is significant that all of the services administered through the provisions of the Social Security Act are financed by means of grants-in-aid with the exception of one of the social insurances (old-age and survivors' insurance). Unemployment compensation, child welfare, vocational rehabilitation, public health, and the public assistance programs are all administered in the states with the help of federal funds. Federal grants-in-aid for public education, health insurance, and hospital construction have been advocated by many persons and apparently will be more extensively used in the future. To know where we are today with the grant-in-aid system, to understand how we got that way, and to appreciate where we might go in the future, a student should have some knowledge of the history of grants-in-aid in America.

BRIEF HISTORY OF GRANTS-IN-AID IN AMERICA

Social reformers turned to the federal government as a means of supporting state welfare agencies and institutions at a relatively early date, in fact more than four decades prior to the establishment of the first state welfare authority. This was quite natural because the beginnings of federal aid can be traced to the days before the constitution.

¹ *Annual Report of the Federal Security Agency, 1947*, p. 104.

When Congress was still meeting under the Articles of Confederation in 1785 it was decreed that a portion of the public domain in the Northwest Territory should be used for the financial support of public schools. In 1802 when Ohio was admitted to the Union its enabling act stated that "the section number sixteen in every township . . . shall be granted to the inhabitants of each township, for the use of schools." Government functions at this time were so very limited that revenues frequently exceeded expenditures. With the large amount of land which belonged to the federal government the problem arose of finding suitable services to finance through the sale of the public domain.

Most of the original colonies had used various revenues, mainly derived from the sale of land within their borders, for the subvention of public schools and occasionally of the church. New York used the idea of a grant-in-aid for schools when in 1795 an annual appropriation of 20,000 pounds was made for the support of local schools. After a rather checkered career the grant-in-aid system for local education was established on a permanent basis in New York in 1805. The permanent fund was secured from the sale of certain public lands and in 1821 all unsold lands were added. A similar history of the use of state lands for public education is evident in Massachusetts, Pennsylvania, and Connecticut. Although the grant-in-aid system probably owed its origin in these states to a surplus of revenues above needs, the system became more or less permanent. This, as Dr. Henry J. Bittermann has pointed out, is due to the fact that support from this source, once established, becomes accepted and treated as a normal expenditure of the central government.³ Only three of the states admitted to the Union since 1802 have failed to secure from the federal government a dower of land for their public schools. Indeed from 1848 to 1894 it was standard practice for the federal government to grant two sections in each township to the newly-admitted states for this purpose.

Higher education also benefited as early as 1787 when Congress decreed "that land not amounting to more than two townships be given perpetually for the purpose of an university." This practice led to the passage of the Morrill Act in 1862 which donated lands to the various states for "the endowment, support and maintenance of at least one college where the leading object shall be, without excluding other scientific and classical studies, and including military tactics, to teach such branches of learning as are related to agriculture

³ Henry J. Bittermann, *State and Federal Grants-in-Aid* (New York and Chicago: Mentzer, Bush, 1938), pp. 59-62.

and the mechanic arts." Many senators, particularly those from the South, were fearful of this Act's effect upon the sovereignty of the states and it was only passed in 1862 after the southerners had withdrawn from Congress.

In its final form the Morrill Act granted 30,000 acres of land to each state for each member of the House and Senate. According to Professor Austin F. MacDonald, one of the leading authorities on the subject of grants-in-aid, this Act was a distinct advance over earlier laws. For the first time the states were required to meet certain standards — ineffective to be sure in light of present requirements — in order to receive the federal aid. They had to invest the money derived from the sale of federal lands in certain stocks yielding not less than five per cent interest. They could use only the interest; the principal was an "inviolable fund" for whose permanence they were made responsible. Each year the governor had to make an annual report to the Congress upon the state of the fund and upon the progress of the college. The passage of the Second Morrill Act in 1890 added a new device; a clause enabled the Secretary of the Interior to withhold the "annual allotment from any institution not fulfilling its obligations." Although for the first time the federal government had a heavy club to force compliance with federal requirements,³ the true potency of this weapon has been more imagined than real.⁴

Parts of the federal domain were allocated to the states in the early days for purposes other than education. Large areas of swamp land were given to fifteen states on the condition that the proceeds be used for the reclamation of the land. Some states were also given title to salt lands within their borders. Approximately five million acres were bestowed by the federal government upon the states for use in building canals. Nineteen states secured five hundred thousand acres under an Act of 1841 for use in internal improvements. Twenty million dollars of surplus funds in the federal treasury were apportioned to the states in 1837 and an additional distribution of this sort was made in 1841. Immediately after the Civil War the federal government gave forty million acres of federal land to the states for the construction of railroads. The railroads, often under scandalous conditions, received more than twice that amount from the states.⁵

³ Austin F. MacDonald, *Federal Aid: A Study of the American Subsidy System* (New York: Crowell, 1928), pp. 13-24.

⁴ See for examples, Robert T. Lansdale and associates, *The Administration of Old-Age Assistance* (Chicago: Public Administration Service, 1939) and Arthur P. Miles, *Federal Aid and Public Assistance in Illinois* (Chicago: University of Chicago Press, 1941).

⁵ MacDonald, *op. cit.*, pp. 13-15.

With federal land available in large quantities it is little wonder that social reformers turned toward the central government. They had every reason to believe that the federal government should make a portion of the public domain available to the states for the care of the dependent, defective, and delinquent classes.

EARLIEST EFFORTS AT FEDERAL AID FOR PUBLIC WELFARE

We have noted previously how the states were forced to assume the responsibility for the care of certain groups of dependent, defective, and delinquent persons because of the inadequacy of local facilities. The state accepted responsibility for the care of the insane, the criminal, the deaf, the feeble-minded, and various other special groups. They usually established special institutions for the care of these groups; insane asylums, prisons, reformatories, and asylums for the deaf were erected. In the early days of these institutions some states developed reciprocal or interstate relations. The fact that these institutions were used by residents of other states gave them a special claim for federal aid. In addition the fact that they attempted to provide educational as well as custodial service seemed to warrant classification as educational institutions.

The first to make this special plea for federal aid was the Connecticut Asylum for the Deaf and Dumb. In 1815 an association of citizens raised by voluntary contribution a fund to send the Reverend Thomas H. Gallaudet to Europe to learn the methods used there in teaching the deaf and dumb. He was especially impressed with the work of Abbé Sicard who was principal of a school for the deaf and dumb near Paris. A pupil of the Abbé was engaged by Gallaudet as a teacher and arrived in Connecticut, August, 1816. The Connecticut Asylum, incorporated in May, 1816, had more than fifty pupils in 1819 from the following states in addition to Connecticut: New Hampshire, Massachusetts, Vermont, Rhode Island, New York, Pennsylvania, Maryland, Virginia, and Kentucky.

Data were presented to Congress showing that the tuition of \$200 per year per pupil was not sufficient to cover the costs of board, laundry, and lodging. The committee representing the institution declared that it was "open for the reception of pupils from every part of the Union," but that its funds were "too small to admit of its becoming extensively useful," and said it trained persons to qualify as teachers of the deaf and dumb in other states.⁶

⁶ From *Annals of Congress* (15th Congress, 2nd Session, 1818-1819), II, pp. 1329-30.

A bill incorporating the recommendations of the Connecticut petition was introduced in Congress, March 1, 1819, and passed March 3, 1819, against considerable opposition. The opposition pointed out that the institution was primarily local in character, that it was not strictly charitable because the rich also received its benefits, and that such a step would establish regrettable precedents. As passed, the bill granted 23,000 acres of public land to the institution. When the land was sold \$300,000 was realized.⁷

Congress also granted in 1826 a township of public land for the benefit of the Kentucky Deaf and Dumb Asylum whose facilities also were made available to the residents of other states. In fact it was the only institution of its kind to serve the population of the entire Mississippi valley. Thus was inaugurated a new policy for the care and education of the deaf in the United States. While the institution in Connecticut was operated under private auspices the Asylum in Kentucky was operated directly by the state and all of the schools subsequently established through state effort, with the exception of one in Maryland and some in New England, followed the Kentucky precedent.⁸

The New York Deaf and Dumb Asylum which had been incorporated in 1818 by "several benevolent gentlemen," attempted unsuccessfully to introduce a bill for federal aid in 1824. A "small portion of our immense landed estate" was requested for this "good and humane purpose." Henry Clay,⁹ the Speaker, objected on the ground that another institution in addition to the Connecticut Asylum was not required. Many others spoke against the bill, including a Mr. Foot of Connecticut, who declared that the precedent of the Connecticut Asylum did not apply in this case. The grant to the Asylum in Hartford he contended had been made because it was the first institution of its kind in America and was intended to introduce a system of teaching the deaf and dumb to the entire nation. The Connecticut institution, therefore, "had peculiar claims to the aid of the Government," not possessed by the New York institution.¹⁰ The bill failed to pass and with the exception of the bill relating to the institution in Kentucky, federal aid was not requested for public welfare until the days of Dorothea Lynde Dix.

⁷ Harry Best, *The Deaf* (New York: Crowell, 1914), pp. 136-37.

⁸ *Ibid.*, pp. 141-42.

⁹ Clay had previously shown a "particular regard" for the Connecticut undertaking. It was largely through his influence that the bill relating to the Connecticut institution was maneuvered through Congress. (*Ibid.*, p. 137).

¹⁰ *Annals of Congress* (16th Congress, 1st Session, 1819-20), I, 882-91.

At least one state made an attempt to secure federal aid for the establishment of county poor farms. In 1830 Indiana memorialized Congress requesting that an act be passed so that one section of public land in each county could be sold and the proceeds "be applied to erect asylums and provide farms to receive all persons to be objects of charity, and also granting two sections, to be located in like manner, to be applied to the benefit of the deaf and dumb within her entire boundaries, and also granting one section, in like manner, to erect and sustain a state lunatic asylum." The legislature of Indiana expressed a hope that all western states having unsold lands, "may apply for and succeed in obtaining similar grants to those applied for in the memorial."¹¹

The Indiana state legislature also memorialized Congress in 1834 for the establishment of federal hospitals "on the Ohio River in Indiana, as may afford relief to such sick and disabled persons as navigate the stream." The state complained that "the great number of poor and distressed boatmen and others engaged in navigating the Ohio, who are constantly thrown destitute upon her banks, has become excessively burthensome to those inhabiting her borders." It was claimed that three millions of persons were directly interested in the river commerce, including citizens of New York, Virginia, Pennsylvania, and Ohio, thus making it a national problem.¹² In neither case did the federal government accept the responsibility suggested in the memorials.

LIFE AND TIMES OF DOROTHEA LYNDE DIX¹³

The personality of Dorothea Lynde Dix is virtually synonymous with the movement to secure federal aid for the state institutions for the insane. In order to appreciate the significance of this movement it is desirable to have some information regarding the life and times of this remarkable woman who, at the time of her death, was called "the most useful and distinguished woman that America has produced." Certainly she was an unusual social reformer who relied upon

¹¹ *Special Acts of Indiana* (1830-1831), Chap. cxlvii, p. 188, as reprinted in Alice Shaffer and Mary Wysor Keefer, *The Indiana Poor Law* (Chicago: University of Chicago Press, 1936), pp. 195-96.

¹² *Indiana Local Laws* (1834-1835), pp. 271-72 as reprinted in Shaffer and Keefer, *op. cit.*, pp. 196-97.

¹³ This information is based upon Francis Tiffany, *Life of Dorothea Lynde Dix* (Boston: Houghton Mifflin, 1890), and Helen C. Marshall, *Dorothea Dix: Forgotten Samaritan* (Chapel Hill: University of North Carolina Press, 1937).

facts as well as a profound ethical drive in order to achieve her objectives.

Miss Dix was born April 4, 1802, in Maine. Her father, Joseph Dix, an impoverished itinerant Methodist evangelist, had been forced to leave Harvard because of his marriage. Her mother, eighteen years the senior of her father, was considered beneath him in social status. Joseph's father was a shrewd Boston physician who had acquired vast acres of wooded land on the banks of the Penobscot river. Dr. Dix had plans to bring settlers to this wild and uninhabited region in Maine, sell the land on long-term contracts, set up sawmills, and make enormous profits from the sale of lumber and from the increase in land values. The puritanical old gentleman decided that his son should be sent to Maine where he would act as business agent.

Business interests may not have been the chief reason for sending Joseph and his bride to Maine. Dr. Dix was also interested in having the couple removed from Boston where the Dix family had already taken a strong dislike to Joseph's wife. Joseph, however, had little enthusiasm for the rugged life of the frontier. He had studied some theology at Harvard and later experienced a "conversion" so frequent in those days. When he got to Maine he had a "call" to preach. He became a preacher of great ability, but he earned very little for his efforts.

Soon after Dorothea was born Dr. Dix and his wife asked to have her come and visit them in Boston and because of "the miserable and loveless home which their son's own wickedness and folly had created" Dorothea's visits became numerous. After the death of Dr. Dix in 1809 she went to live with her grandmother in Boston.

After the usual education for a young lady of refinement — attendance at several public and private schools, private instruction from Harvard professors, reading at Boston's famous libraries, and absorbing knowledge at public lectures — Miss Dix turned to teaching as a career. In 1821 she opened a "Dame School" in Orange Court, where she was apparently a thorough teacher and a harsh disciplinarian. But teaching the well to do did not satisfy her and she started a school for the poor. This was the period when a "Society for the Moral and Religious Instruction of the Poor" was flourishing in Boston. In spite of her interest in this organization and in her two schools, her energies were not taxed to the limit and she began writing books for young people. The first one entitled *Conversations on Common Things* appeared in 1824. This was followed by *The United States Literary Gazette* in 1826, containing "use-

ful knowledge for young people." This book was especially well received and went through sixty editions by 1869. Many of her books reflected the Unitarian ideal, the concept of a God of goodness who is always present. This was especially true of *Hymns for Children*, *Moral Tales*, and *Meditations for Private Hours*.

All of this activity caused Miss Dix to suffer a complete physical collapse in 1836. She closed her schools and went into virtual retirement until 1841 when she heard that someone was needed to teach a Sunday School class in the East Cambridge jail. The barbaric treatment of prisoners profoundly impressed her and from that time she was a true social reformer. She decided to visit every jail, house of correction, and all other places where the insane might be kept in Massachusetts. Charles Sumner and the celebrated Dr. Samuel Gridley Howe, who was a member of the state legislature, encouraged her. At that time Boston was the "Athens of America" and was teeming with intellectual excitement over women's rights, vegetarianism, and the efficacy of water cures. Brook Farm was flourishing, *The Liberator* was preaching abolition, and Margaret Fuller was concerned with woman's place in the world. Miss Dix set out to harness this mental effervescence or at least to detour some of it into a movement to provide better care for the insane.

Within eight months she had visited half of the jails, poorhouses, and workhouses in the state. She wrote down all the details she saw. She described mentally-ill persons who were confined in cages, closets, cellars, stalls, and pens and how some had been chained, beaten with rods, and lashed. It was not a pleasant picture, but she wrote it all with literary vigor and clarity in a memorial to the state legislature. She declared, "I come to present the strong claim of suffering humanity. I come to place before the Legislature of Massachusetts the condition of the miserable, the dissolute, the outcast. I come as the advocate of the helpless, forgotten, insane and idiotic men and women, of beings sunk to a condition from which the most unconcerned would start with real horror . . . If my pictures are displeasing, coarse, and severe, my subjects, it must be remembered, offer no tranquil, refined, or composing features. The condition of human beings, reduced to the extremest states of degradation and misery cannot be exhibited in softened language or adorn a polished page."¹⁴ The Massachusetts Memorial was referred to a committee of the legislature which urged its passage. Miss Dix's report was verified

¹⁴ Dorothea Lynde Dix, *Memorial to the Legislature of Massachusetts*, "Old South Leaflets," Vol. VI, No. 148, p. 2.

by the committee and they recommended that buildings for an additional two hundred beds be provided for the insane. 9

Miss Dix embarked upon a crusade in many other states. The period from 1843 to 1853 has been called her "decade of victory" by her most recent biographer, Helen Marshall. Even a cursory examination of Miss Dix's accomplishments during that ten-year period indicates the extent of her victory. She had learned that social reform comes only from patient, factual research. As a result she developed a definite research technique; she visited and inspected every building, she appraised the care of patients and the quality of the administration, she read widely on the treatment of mental illness, and she disciplined herself so that she seldom expressed personal feelings. In short she exemplified the New England tradition at its best. Economy, system, and personal privation were her lot. She spent her time in railroad stations reading treatises on the care of the insane or the Bible, she carried her own tools for repairing stage coaches so less time would be lost, and she was guided by her belief in the eternal Godliness and goodness of mankind.

Rhode Island was visited by Miss Dix in 1843. She intended to memorialize the state legislature, but it became unnecessary because of private contributions. Nicholas Brown, a merchant and founder of Brown University, gave \$30,000 for a Rhode Island Asylum for the Insane and Miss Dix secured \$40,000 from Cyrus Butler. Additional funds were oversubscribed by interested citizens. After brief trips to Vermont and New Hampshire Miss Dix turned her attention to New Jersey. A memorial to the legislature resulted in the establishment of the New Jersey Hospital at Trenton, the first hospital to be established directly through her efforts. Then she went to Pennsylvania, Indiana, Ohio, and Kentucky. The south was also visited and memorialized: Tennessee, Mississippi, Louisiana, South Carolina, Georgia, and Virginia. Miss Dix was highly successful in her appeal to the states. Eleven states established state hospitals and she became a nationally celebrated reformer.

DOROTHEA LYNDE DIX AND THE CRUSADE FOR FEDERAL AID

Success in the states was not enough for this militant Christian crusader. As early as 1845 Miss Dix conceived of a plan for federal aid to the states for hospitals for the mentally ill. As we have noted, the federal government had already established the policy of granting tracts of land to the new states for the establishment of public schools, for internal improvements, and in a few cases for special state

institutions. By 1845, 134,704,982 acres of the public domain had already been granted to the states. Many people favored using the remaining one hundred million acres for homesteads, but Miss Dix believed that a portion of this land should be used for the care of the insane. Christian duty, she reasoned, made it imperative for the nation to assume its rightful obligation to the insane who were the wards of the nation.

She appealed to Congress for five million acres of the national domain to be used by the states to care for the insane. The land was to be distributed among the thirty states of the Union in accordance with their ratio of population to the total population. This may seem to be a fantastic appropriation today but it must be remembered that in 1848 there was plenty of unoccupied land in America. The politicians spoke in as glib terms about hundreds of thousands of acres of the public domain as they do today about hundreds of millions of dollars of the public debt. Although this was before the lush days of railroad building and speculation Congress had already exhibited a certain generosity about the use of the public domain for such internal improvements as canals.

Miss Dix used the same techniques before Congress that she had used before the state legislatures.¹⁸ She had the advantage of a successful career in social reform. Many of the congressmen either knew her personally or knew of her work in the states. A petition to Congress by Miss Dix could not be ignored. Her memorial was based upon her investigations in the various states. She had traveled sixty thousand miles, visited nearly ten thousand insane persons, and had investigated jails, poor farms, workhouses, and insane asylums. Senator John A. Dix from New York, who was not related to her, introduced her memorial on June 27, 1848. Congress, however, adjourned without passing the bill.

This was not accepted by Miss Dix as a final defeat. She calmly proposed that the blind and deaf be added to the insane, and that 12,500,000 acres be given — 10,000,000 acres for the insane and 2,500,000 for the other classes. Senator James Pearce of Maryland introduced the bill which was reviewed by a committee appointed by the Vice-President. The committee reported favorably upon the bill. The clergy, the press, and numerous private citizens urged its passage which appeared to be assured. But the excitement over the

¹⁸ Miss Dix's memorial to the United States Congress is conveniently reprinted in S. P. Breckinridge, *Public Welfare Administration in the United States: Select Documents* (Chicago: University of Chicago Press, 1938), pp. 195-221.

land issue prevented this in 1850. Undaunted, Miss Dix again had the bill introduced in 1854 and it passed the Senate in March of that year and the House shortly thereafter.

PRESIDENT PIERCE'S VETO OF MISS DIX'S BILL

President Pierce vetoed the bill saying he was compelled to "resist the deep sympathies" of his heart "in favor of the humane purpose sought to be accomplished." The President continued by stating that "it cannot be questioned that if Congress have power to make provision for the indigent insane without the limits of the District [of Columbia], it has the same power for the indigent who are not insane; and thus to transfer to the federal government the charge of all poor in all the states . . . The whole field of public beneficence is thrown open to the care and culture of the federal government. Generous impulses no longer encounter the limitations and control of our . . . fundamental law . . . The question presented, therefore, clearly is upon the constitutionality and propriety of the federal government assuming to enter into a novel and vast field of legislation, namely, that of providing for the care and support of all those, among the people of the United States, who, by any form of calamity, become fit objects of public philanthropy."

The President stated that the federal government is one of delegated powers. In his opinion it could not be claimed that "the relief of the needy or otherwise unfortunate members of society" was not retained by the states. These were not powers conferred upon the federal government, but powers reserved for the states and localities. He added that the general welfare clause could not be interpreted to give such authority to the federal government.²⁸

The President's veto was not willingly accepted by the ardent advocates of the bill. Debate was occasionally bitter when the Senate reconsidered the bill and Pierce was pictured as a northerner with southern sympathies, as a strict constructionist, and as a man wholly without humanitarian interests. Senator Dix could not understand how the federal government could exercise the constitutional power of granting land for one benevolent object and not for another. He pointed out that Congress had given land to the states for the construction of roads and canals; it had donated vast acres of the public domain for assisting the states in paying off their public debts; it had granted public lands to the states for educational purposes; and it had

²⁸ *Congressional Globe* (33rd Congress, 1st Session, May 3, 1854), pp. 1061-63.

appropriated money for building marine hospitals in various states. In some cases Congress had "given, time and again, large portions of the public lands, for other purposes -- some benevolent and some speculative, and all without any express grant of power under the federal constitution." But now when Congress wished to use a small portion of the public domain "for an object the most humane and the most benevolent, and which appeals most strongly to the sympathies of every heart capable of feeling for the misfortunes of the most unhappy of mankind, it is interdicted by the spirit of the constitution." ¹⁷

One can, of course, discuss the propriety of a President assuming the role of the judiciary and attempting to pass on the constitutionality of proposed legislation. *Why not, one might ask, allow the bill to be passed and be tested by the courts?* After all, should not the justices of the United States Supreme Court, and not the President, pass on the constitutionality of federal laws?

It is fruitless to discuss all the facets of President Pierce's constitutional philosophy. Whether he was a sincere strict constructionist or a wily politician who was courting the favor of southerners is somewhat beside the point. The fact that his message contained grave implications because of his reference to governmental power had to be reckoned with. The raising of this issue made it politically impossible to pass the bill over his veto. With the defeat of Miss Dix's bill social reformers once again turned their attention to the states and localities.

Miss Dix was tired after the defeat of her bill and decided to travel abroad. She sailed for Liverpool in 1854, but she did not cease to be a philanthropist while in England and Scotland. Conditions there were as bad as she had encountered in her native Massachusetts. Miss Dix was given a polite reception, but she was unable to accomplish what she had in her native land. After a tour of the continent and parts of Asia she returned to America in 1856. Not long after Miss Dix's return to America difficulties between the north and south resulted in the Civil War. She went to Washington and offered her services to the Surgeon General. The Secretary of War accepted Miss Dix's offer to recruit nurses and she was commissioned Superintendent of United States Army Nurses. Miss Dix organized the service with her customary efficiency and dispatch. At the end of the war an order was given "in token and acknowledgment of the inestimable services rendered by Miss Dorothea L. Dix for the care, succor, and relief of

¹⁷ *Ibid.*, pp. 1063-66.

the sick and wounded soldiers . . ." She was in virtual retirement from the close of the Civil War until her death in 1887.

There may have been some advantages in delaying federal aid for public welfare. Miss Dix's land grant bill would have made funds available to the states for the care of the mentally ill, but it would not have established national standards or supervision, which did not come until the passage of the Maternity and Infancy Act, also known as the Sheppard-Towner Act, in 1921. During the period 1845-1921 there was neither federal aid nor federal standards and the wards of the state had to be cared for exclusively by local and state revenues. Occasionally the federal government made funds available for the victims of fires, floods, cyclones, and other catastrophes. As early as 1803 sufferers from a fire at Portsmouth, New Hampshire, were given an extension of time within which to discharge their bonds given for customs duties. In 1874 the President authorized an issue of supplies of food and clothing amounting to \$190,000 for sufferers from the overflow of the Mississippi. In the following year \$30,000 in federal aid was provided for the "sufferers from grasshopper ravages." The "earthquake and conflagration" in San Francisco brought special federal aid in the amount of \$2,500,000 in 1906. More than eighty separate appropriations were made for purposes of this sort between 1803 and 1932 when the Emergency Relief Division of the Reconstruction Finance Corporation was created. All of these, however, were relatively minor items and not to be considered federal grants-in-aid of present day standards.¹⁸

It can be concluded, therefore, that President Pierce by means of his veto of Miss Dix's bill was successful in forcing the states to assume the primary legislative and financial responsibility in public welfare. He also gave added incentive for the development of private charitable agencies, such as the American Red Cross, which originated during the Civil War and assumed the functions of a quasi-public organization. The public learned to rely upon agencies of this sort and as late as 1931 the President was able to say that "the American way of meeting . . . a relief problem has been through voluntary effort and for many years the effort has been centered in the American Red Cross, created by the people themselves . . ." ¹⁹ But when the depression came with its tremendous

¹⁸ *Hearings on Federal Aid for Unemployment Relief* (held before a subcommittee of the Senate Committee on Manufactures, 72nd Congress, 2nd Session), Part 2, pp. 547-53.

¹⁹ As quoted in *Relief Work in the Drought of 1930-31*, Official Report of Operations of the American National Red Cross (August, 1930-June 30, 1931), p. 34.

burden of unemployment our private as well as our public agencies were unable to meet the challenge. Federal aid had to be given to the states, emergency organizations had to be created, and the unemployed fed. We found that because of the veto of 1854 we were almost totally inexperienced in federal-state-local cooperation in public welfare administration.

MATTER OF TERMINOLOGY

As we have noted, the early programs of federal aid for public welfare purposes were rather crude devices. In the case of the institutions in Connecticut and Kentucky outright grants of land were made. After the land was sold the money was used as the institutions so desired. Very few safeguards were provided in Miss Dix's bill to grant ten million acres of land to the states to be used for the care of the indigent insane. The bill specified that the funds derived from the sale of the lands were to be invested in safe stocks which were to constitute a perpetual fund, the principal of which was not to be used. Only the interest could be appropriated by the states for the care of the insane. Otherwise the states were free to use the funds in any way they saw fit.

After considerable experience with grants-in-aid we have now developed more definite procedures. This chapter has attempted only to present the genesis of the system and we shall discuss in later chapters the modern use. Nevertheless it is appropriate at this time to define grants-in-aid. From the standpoint of public welfare the grant-in-aid system is a method whereby one area of government issues funds to another area of government for services usually performed by the latter. The granting of the funds is customarily accompanied by regulations which govern their expenditure. The grants may come from a variety of sources: from the general revenues as in the case of federal funds given to the states for public assistance or from specifically designated sources such as the offset tax provision for unemployment compensation. The grants are allocated for specific uses such as highway construction, vocational rehabilitation, and public assistance.

The student of public welfare administration usually makes a distinction between a grant-in-aid and a subsidy. This is done in order to distinguish between a grant of money from a government in behalf of a private organization and a grant from one area of government to another. The former, for our purposes, is known as a subsidy

while the latter is called a grant-in-aid. The subsidy system²⁰ has been of great importance in the development of the public and private social services in America. Our present-day developments in public welfare in relation to the private social services disclose pronounced differences with the arguments advanced in behalf of subsidies by the late Professor Amos G. Warner. Professor Warner was a distinguished student of American charities and undoubtedly reflected the majority view of his day. He believed that subsidies should be given to private agencies for the following reasons: (1) The stigma of "pauperism" was less pronounced in a private rather than a public institution; (2) Primarily because of religious instruction, the moral atmosphere was more wholesome in a private institution; (3) The spoils system and partisan politics were not necessary adjuncts to the administration of private institutions; (4) Granting subsidies to private institutions was more economical than maintaining a public one by means of taxation.²¹

The modern attitude toward subsidies is illustrated by the famous "Rule and Regulation Number One" which was courageously issued by the late Harry Hopkins, then Administrator of the Federal Emergency Relief Administration, on June 23, 1933. This rule proclaimed that after August 1, 1933, federal grants for unemployment relief were to be administered by public agencies. Public agencies could not turn over funds to private agencies and the employees of private agencies offering their services to public agencies had to become public employees.²² Since that time the theory that public funds should be spent by public agencies has been accepted practice in public welfare administration.

Selected Bibliography

Henry J. Bittermann, *State and Federal Grants-in-Aid* (New York and Chicago: Mentzer, Bush, 1938).

Arlie Johnson, *Public Policy and Private Charities* (Chicago: University of Chicago Press, 1931).

Austin F. MacDonald, *Federal Aid: A Study of the American Subsidy System* (New York: Crowell, 1928).

²⁰ For a study of the subsidy see Arlie Johnson, *Public Policy and Private Charities* (Chicago: University of Chicago Press, 1931).

²¹ Amos G. Warner, *American Charities*. (New York: Crowell, 1893), pp. 342-44.

²² Doris Carothers, *Chronology of the F.E.R.A., May 12, 1933 to December 31, 1935* (Washington: Works Progress Administration, Division of Social Research, 1936), p. 5.

Helen C. Marshall, *Dorothea Dix: Forgotten Samaritan* (Chapel Hill: University of North Carolina Press, 1937).¹

Andrew C. McLaughlin, *A Constitutional History of the United States* (New York: Appleton-Century, 1936).

Arthur P. Miles, *Federal Aid and Public Assistance in Illinois* (Chicago: University of Chicago Press, 1941).

Amos G. Warner, *American Charities* (New York: Crowell, 1893).

7. From Supervision to Control

DUTIES OF THE ORIGINAL STATE BOARDS OF CHARITIES

The unsuccessful attempt of Dorothea Dix to secure federal aid for the care of the insane made state rather than federal action necessary in the public welfare field. We have noted in Chapter 5 how this development started with the creation of the Massachusetts State Board of Charities in 1863 and was gradually expanded to other states. The first statutes provided for unpaid boards, the members of which were appointed for overlapping terms. Their duties were generally of a supervisory nature. From time to time they visited the various state and local institutions over which they had supervision and issued annual reports to the state legislatures. In the early years these duties were performed faithfully, honestly, and with a commendable crusading zeal.

In the 1870's and in the 1880's it was usually assumed that these responsibilities and duties were sufficient to secure the desired results. The boards were convinced that they brought to the trustees and managing officers of the various institutions and to the state legislatures "the fruit of the largest and ripest experience, touching the care of the dependent, delinquent, and criminal classes." This, they reasoned, was especially valuable because the legislators and the trustees of the various institutions did not have sufficient leisure to make thorough investigations "of the deep and dark problems of social science." Investigations were necessary in order that the legislatures and the boards be prepared "for the intelligent and proper discharge of their several duties." The boards of state charities and corrections were in a strategic position to furnish information.

The boards also performed an important and useful function through the diffusion of information on "the proper treatment of pauperism, vice, and crime with a view to their reduction within the narrowest possible limits." Numerous studies were made on the causes of pauperism and the conditions of jails, almshouses, and state institutions. While these studies were somewhat crude and inexact when judged from a modern point of view, they helped to mold public opinion and they resulted in numerous worthwhile reforms.

The boards did not clamor for administrative authority or man-

datory powers in order to carry out these functions. They were content to present their recommendations "with proper deference and courtesy" to the legislative bodies. They accomplished their desires through the spotlight of public opinion and personal influence. "Advisory boards," they reasoned, "whether composed of men or women, or of both men and women, will in the long run, have all the influence to which their wisdom, good sense, and practical knowledge of affairs entitle them. Complaint of want of power is, under such circumstances, confession of a lack of some of the means of influence."¹

After a decade the zeal of the individual members was no longer able to accomplish the desired results. The Pennsylvania board reported as early as 1870 that the various state institutions furnished "incomplete and even inaccurate responses," and that the reports from county jails and almshouses were "meagre and unsatisfactory to the last degree." The board declared that the reason for this inability to give correct returns was due to the complete absence of accurate business methods in the institutions. The institutions used bookkeeping methods of careless tradesmen rather than "the exact system of entries and balances by which the accomplished merchant preserves a perfect knowledge of his business and protects himself from the possibility of undiscoverable errors." The board also complained about the impotence of visitorial powers. They could open the doors of the various institutions, inspect the administration, but were not in a position to enforce their findings. The members hoped that "when the wisdom which maturity insures, shall have been acquired, it may be well to invest the commission with such judicious executive authority as may be necessary."²

Individual institutions did not always welcome the demand for a strong central authority. The Association of Medical Superintendents of American Hospitals for the Insane denounced "supernumerary functionaries, endowed with the privilege of scrutinizing the management of the hospital, even sitting in judgment on the conduct of attendants and the complaints of patients, and controlling the management directly by the exercise of superior power, or indirectly through stringent advice."³ In spite of opposition of this sort the

¹ Report of George I. Chace, *Proceedings of the National Conference of Charities and Corrections*, 1882, pp. 19-24.

² *First Annual Report of the Board of Commissioners of Public Charities of the State of Pennsylvania* (1870), p. xviii.

³ As quoted by F. H. Wines, "Hospital Building for the Insane," *Proceedings of the National Conference of Charities and Corrections*, 1878, pp. 143-50.

trend was in the direction of greater administrative power for the state boards.

TREND TOWARD ADMINISTRATIVE RESPONSIBILITY

By 1887 only three or four of the state boards remained purely advisory. Most of the original boards had been created with duties of inspection, visitation, supervision, advice, and recommendation. This was true of the boards in Massachusetts, New York, Pennsylvania, Illinois, Michigan, and Wisconsin. In all of those states it became desirable at a relatively early date to add extensive executive powers to the boards and to make them a part of state public welfare administration. In New York administrative powers were granted in respect to the support of the state poor and the removal of immigrants and vagrants. Illinois granted to its state board extensive financial responsibility over all institutions. The Wisconsin board was granted power over the care and maintenance of the indigent insane in county asylums. In Michigan the board was given executive authority over children placed in foster homes. The Rhode Island board was granted complete authority and control over all state institutions. The administrative authority of the original Massachusetts board was also extended and expanded.⁴

The trend towards centralization was not the result of chance, but the inevitable consequence of the creation of state boards. Robert W. Kelso, who made an exhaustive analysis of the history of public welfare in Massachusetts and wrote one of the early treatises on public welfare, has declared the chief cause to be the need for speed and dispatch in the transaction of public business. This was one of the usual reasons given by the proponents of an administrative board. The theory was that a single-headed body with a direct line of responsibility is a more efficient administrative unit than a group of unsalaried citizens with purely supervisory duties. Kelso pointed out that the second reason for this trend was the continual assumption of welfare functions by larger units of government. The third reason he cited as "the constantly pressing urge of politics." In the fourth place he mentioned the "American slant toward technical efficiency." The pronounced technical advances in business management with its attendant emphasis upon time schedules and standardization of duties led to similar emphasis in public administration.⁵

⁴ F. B. Sanborn, "Work Accomplished by the State Boards," *Proceedings of the National Conference of Charities and Corrections*, 1887, p. 103.

⁵ Robert W. Kelso, *The Science of Public Welfare* (New York: Holt, 1928), pp. 128-29.

WISCONSIN STATE BOARD OF CONTROL

The development of the Wisconsin State Board of Control is an excellent illustration of the trend towards centralization. Wisconsin like the other states met each problem in the public welfare field as it arose. The School for the Blind was created in 1849, the State Prison in 1850, education for deaf children was made available in 1854, and in the same year hospital facilities were provided for the insane. In 1857 the legislature recognized juvenile delinquency as a special problem when it created a House of Refuge. Subsequently other special institutional facilities were provided. From 1849 to 1871 each institution was completely separate and independent in its administration. When a new institution was established a separate board of managers or trustees was organized for its administration. Each institution was financed by a separate legislative appropriation.

In 1871 the State Board of Charities and Reform was established by the legislature "to the end that the administration of public charity and correction may be conducted upon sound principles of economy, justice and humanity, and that the relations existing between the state, its dependent and criminal classes may become better understood . . ." The board was supervisory in authority and its powers were limited to inspection, visitation, and recommendations. The independent boards of the separate institutions remained in existence. The duties of the Board of Charities and Reform were as follows:

1. To investigate and supervise the charitable, correctional, and state-aided institutions and to make recommendations for changes which they deemed necessary for economy and efficiency.
2. To investigate local institutions — county poorhouses, county jails, city prisons, and houses of correction — with particular emphasis upon the quality and quantity of the care provided.
3. To study and determine the adequacy of existing legislation for the support and relief of the poor "and the causes operating to increase or diminish pauperism in the state."
4. To make an annual report of their activities and investigations together with suggestions and recommendations to the governor.

In 1881 the legislature abolished the boards of the following institutions: Wisconsin State Hospital for the Insane, Northern Hospital for the Insane, Southern Hospital for the Insane, Wisconsin State Prison, Wisconsin Industrial School for Boys, Wisconsin Institution for the Education of the Blind, and Wisconsin Institution for the Education of the Deaf and Dumb. The powers, duties, and functions of these bodies were transferred to the newly created State

Board of Supervision of Wisconsin Charitable, Reformatory, and Penal Institutions. The new Board also was legally empowered to act as a commission in lunacy, to investigate and study the problem of insanity, and to order the release of persons placed in state institutions for the insane.

The superintendents were given responsibility for the internal administration of their respective institutions, subject to the rules and regulations of the State Board. They were responsible for the care, health, sanitary conditions, and treatment of the inmates but the Board required monthly reports giving detailed information on admissions and discharges from each superintendent. In addition the reports were to specify "conditions of unusual restraints and confinement of inmates." The Board was also given definite financial control over each institution; all bills and accounts were audited and certified before payment was authorized.

This Board became in 1891 the State Board of Control of Reformatory, Charitable, and Penal Institutions which was created to govern all state institutions and to supervise all local institutions. Its duties have been summarized as follows:

1. To maintain and govern the state institutions.
2. To act as a commission of lunacy for investigation of the insanity of any person committed to or confined in the insane asylum, public or private, or restrained of his liberty by reason of alleged insanity within the state.
3. To make quarterly visits to the county asylums for the purpose of ascertaining the quality of their management and the condition of their inmates, and ordering a correction of such evils as are found to exist.
4. To reject or approve plans and specifications for all new police stations or lockups.
5. To investigate all complaints against the management of any charitable, reformatory, or penal institution.
6. To collect and tabulate important statistics of insanity, pauperism, and crime.
7. To inspect annually, or more often if necessary, all police stations or lockups, jails, poorhouses, and private benevolent institutions.
8. To determine and report to the Secretary of State amounts chargeable to the different counties for the care of their insane at the state hospitals and at county asylums and for the support of boys confined in the Industrial School.⁶

The development of the various state boards in Wisconsin illustrates the natural history from independence to coordination to

⁶ Virgil E. Long, "State Supervision and Control of Welfare Agencies and Institutions: Processes and Structures" (Unpublished Ph.D. dissertation, University of Wisconsin, 1944), p. 119.

supervision to control. While the development in Wisconsin spans a longer period of time and was somewhat more traumatic than in most states it was similar to the changes that occurred in other jurisdictions.

The members of the state boards of charities and corrections were enthusiastic and capable individuals. They were often powerless to execute their ideas on social reform, but they used the powers they had — inspection, visitation, and reporting — to the best advantage. Judged in the light of modern standards they were inclined to be subjective and sentimental, but they usually accomplished their objectives.

The original Wisconsin Board was composed of people with a common purpose: more economical, just, and humane treatment of the wards of the state. H. H. Giles, President of the Board, became a leader of the National Conference of Charities and Corrections. His concern for the care and treatment of the dependent, defective, and delinquent classes is illustrated by his report on the condition of the Kenosha County Jail. "The inmates of these cells and rooms are deprived of that which is the heritage of all creatures, prisoners, criminals, or unfortunates, fresh air and God's bright sunlight. It was a painful sight to me to see that fair-faced boy of thirteen years shut up with criminals and subjected to all the vile associations of a common prison."¹

The only woman member of the Board, Mrs. Mary E. B. Lynde, was also an able and forceful person. She gave special reports, papers, and speeches on topics ranging from "The Need for an Industrial School for Girls" to "The Prevention of Crime." In 1874 she was designated as the Board's representative to the National Conference of Charities and Corrections.

Andrew E. Elmore, who was elected President of the Board in 1877, served in that capacity for fourteen years. A. O. Wright, who served as Secretary for eleven years, was a capable man who achieved considerable prominence in the affairs of the National Conference of Charities and Corrections. Stability and continuity were secured by the relatively long tenure of office of the members of the original board. During the entire twenty-year history of the first five-man board (the Board of Supervision and the Board of Charities and Reform were both in existence from 1881-1889) there were only twelve different members; their average tenure being eight and one-third years. Two members served the entire period and another held office for seventeen years.

¹ *Report of the Wisconsin State Board of Charities and Reform, 1873*, p. 169.

The State Board of Supervision, which was created in 1881, had a practical approach to its problems. When it was convinced that a condition in an institution needed correction, action was taken but without the exhortation and fanfare that accompanied the actions of the old Board. The following statement explains its scientific approach:

In general it has been the purpose of the board, within the means at its disposal, to furnish for these institutions whatever a truly liberal and enlightened policy would dictate, and, in the methods pursued, to keep them abreast of the best thought of the times — avoiding alike an adherence to the rules of a blind and inflexible conservatism, on the one hand, and an adoption, on the other, of schemes of the empiric, and the sentimental and impractical theories of the professional reformer. Real progress in every field of effort lies between these extremes . . . Misdirected zeal . . . and indiscriminate charity . . . may prove as prejudicial to real welfare . . . as would the harsher sentiments or the indifferentism of earlier times respecting these classes.⁸

The State Board of Control inherited, upon its creation in 1891, the traditions of its predecessors for economy and efficiency. Conditions, however, had changed and the new board was faced on many occasions with a recalcitrant legislature. One of the most serious difficulties was the failure of the legislature to provide sufficient funds for the operation of the various institutions. The 1905-1906 report, for example, states that "the appropriations made by the last legislature were insufficient for running or current expenses of the institutions and for special purposes were much less than the estimates of the board and less than they should have been to make many improvements deemed necessary."

In general the techniques of the State Board of Control were not only more scientific than those of their predecessors but their tactics less belligerent, and, as can be seen from their experience in requesting funds, perhaps less effective. Several especially well-qualified persons were appointed to the Board, but it still was not able to secure adequate funds. During 1923-1935 the legislature failed to grant the total budget request for any biennial period. Even the largest appropriation during this period was 30 per cent below the Board's request. There are many possible explanations for this failure of the legislature, even in the face of evident emergencies, to appropriate sufficient funds. It may be explained in part by the fact that all government was expanding during this era and all governmental organizations were

⁸ *Report of the (Wisconsin) State Board of Supervision, 1885-86, p. 6.*

spending more money. It may also be true, as some critics contended, that the welfare institutions were treated as stepchildren in comparison with other public services. It may be explained perhaps by the fact that Wisconsin pioneered during this period in a more dramatic fashion by passing legislation on workmen's compensation, factory inspection, and the regulation of child labor.

Whatever explanation is accepted for the difficulties of the Wisconsin State Board of Control it is apparent that it is an example of the transition from *cause* to *function* in social work. A similar transition was occurring in other states and in private agencies as well. Porter Lee declared that social work evolved from a movement dominated by intellectual conviction and that a cause is "a movement directed toward the elimination of an entrenched evil."⁹ The cause for those who advocated the original state boards of charity was the supervision and coordination of the states' welfare services, particularly its institutions.

When a cause becomes a function "the cause tends to transfer its interest and its responsibility to an administrative unit whose responsibility becomes a function of well-organized community life."¹⁰ Although both causes and functions are carried on by human beings their emphases are different and their demands in the long run require a different combination of human qualities. Zeal is required for the propagation of a cause, while intelligence is the most essential trait for those who are administering a function. In the early days of a function there is a tendency, due to the precedent established by customs and traditions, to retain the characteristics of a cause. In the case of state boards it may have been that the cause was not transformed to a function of government when state boards of charity and correction became state boards of control. This had to await the development and maturity of professional skill and administration in public welfare.

ECONOMY AND EFFICIENCY MOVEMENT

Despite the growing pains of emerging maturity the idea of a state central authority to supervise, and later to administer, the public welfare services was widely copied. By 1913 all but ten states had established such authorities. Nine of the states had boards of control similar to the one in Wisconsin; twenty-one had supervisory

⁹ Porter Lee, *Social Work as Cause and Function* (New York: Columbia University Press, 1937), p. 3.

¹⁰ *Ibid.*, p. 4.

boards, and five had two boards. In three states — Alabama, New Jersey, and Oklahoma — the authority was vested in an individual rather than a board. He was known as an Inspector in Alabama and as a Commissioner in New Jersey and Oklahoma.¹¹

A new movement which was generally known as the "economy and efficiency movement" arose during this period when the states were establishing their state welfare authorities on a more stable basis. This movement had two principal facets, the establishment of budget systems and the legal requirement that personnel must be recruited upon the basis of merit. Both of these developments, as we shall note, were uniquely associated with the field of public welfare and were later extended to other areas of government. An Illinois law of 1905, which was promoted and fostered by the State Board of Charities, made the merit system possible for the selection of employees of state institutions. The impetus for state budgeting was also received in large measure from the Illinois Board of Joint Estimate, created by law in 1910 for the purpose of joint purchase of supplies for the eighteen charitable institutions of the state. Quarterly or annually estimates were required from the superintendents of the various institutions, the Board advertising for open competitive bids, and the entire system being placed on an efficient business basis.¹²

The activities of the Illinois Board were almost exclusively in the area of financial budgeting. A budget has been defined as "a plan for financing an enterprise or government during a definite period, which is prepared and submitted by a responsible executive to a representative body (or other duly constituted agent) whose approval and authorization are necessary before the plan may be executed."¹³ According to this definition it appears that the Illinois Joint Board of Estimate was using a budget as early as 1905.

Starting in 1910 when President Taft's Commission on Economy and Efficiency was organized the budget idea was one of the principal subjects in the field of public administration. The Commission concluded that "a very conspicuous cause of inefficiency and waste is an inadequate provision of the methods of getting before Congress a definite budget, i.e., a concrete and well-considered program or prospectus of work to be financed."¹⁴ These ideas were not auto-

¹¹ *Summary of State Laws Relating to the Dependent Classes* (Washington: Bureau of the Census, 1913).

¹² *Report of the Board of Administration of Illinois, 1910-12*, pp. 83-107.

¹³ Frederick A. Cleveland, "Evolution of the Budget Idea in the United States," *Annals* (of the American Academy of Political and Social Science), Vol. LXII, No. 15 (November, 1915), p. 24.

¹⁴ As quoted in *Ibid.*, p. 24.

matically enacted into law, but many of the states appointed similar commissions: in 1912 Massachusetts and New Jersey; in 1913 New York, Pennsylvania, Minnesota, Iowa, Illinois, and California. In 1913 six states enacted state legislation requiring budgeting devices. Practically each year from 1913 to 1924 produced legislation on the subject.¹⁵

The budget assisted in the development of a sound, scientific public service. It offered the opportunity of balancing income and outgo and served as a measure of governmental responsibility. The adaptation of business methods to government was delayed in many jurisdictions because of the squabbles of partisan politics and the use of the state service for rewards to the victorious political party. When economy was not confused with niggardliness and parsimony the use of sound business methods such as the budget proved to be effective.

Civil service reform was also advocated in the formative years of scientific public administration. The campaign for civil service was waged largely around the slogan "Keep the Rascals Out." This was similar to the campaign of many of those in favor of the use of the budget who argued that budgeting would force a minimum of honesty into the public service. It was much later that civil service concentrated on its positive purpose—selecting the right person for the right job—and that the budget was used as a positive device for the sound planning of governmental expenditure.

The first wave of civil service reform came after the assassination of President Garfield by a disappointed office-seeker in 1881. In that year the National Civil Service Reform League was organized. Largely through the League's efforts the Pendleton Act which established the Federal Civil Service Commission was passed in January, 1883. The first expansion of civil service took place under President Cleveland's two administrations and since that time it has been extended by each President. New York was the first state to accept civil service when a law on the subject was passed in 1883, followed by Massachusetts in 1884. Pronounced activity in the states started in 1905 when Wisconsin and Illinois passed civil service laws. Laws were passed in Colorado in 1907, New Jersey in 1908, Ohio, California, and Connecticut in 1913, and Kansas in 1915. Between 1915 and 1936 there was only the Maryland law in 1920.¹⁶

¹⁵ A. E. Buck, "The Development of the Budget Idea in the United States," *Annals* (of the American Academy of Political and Social Science), Vol. CXIII, No. 202 (May, 1924), p. 34.

¹⁶ Alice Campbell Klein, *Civil Service in Public Welfare* (New York: Russell Sage Foundation, 1940), pp. 41-42.

Numerous inroads were made upon the new merit systems in the states. Inadequate appropriations were provided in many jurisdictions. In some states there were no funds appropriated and the civil service systems became inoperative. In others the budgets for the commissions were too low to permit examinations to be given. There was also constant pressure to exempt numerous positions from the classified service. Thus the patronage system was permitted to intrude upon civil service in many states by the exemption of large groups of employees. During the early days of the New Deal entire federal agencies were exempted from civil service regulations. "Political clearance" has also been used as a device to minimize the merit principle. In Illinois during the governorship of Len Small a streamlined vehicle for political clearance and for efficient dispensing of the spoils was discovered in the Civil Service Commission. Ironically enough it became a centralized and efficient method for the elimination of the merit principle in state government. Special preference for veterans has also been a definite handicap to the civil service systems. In 1935 it was reported that approximately three-fourths of all civil service systems were afflicted by this handicap. Other devices that have been negative influences are residence restrictions, preference for incumbents when agencies are first placed under civil service, and the tendency to consider the candidates' economic need for the position.¹⁷

In spite of the obvious limitations that civil service commissions have faced they have been of great importance in the development of public welfare in the various states. Without adequate and qualified personnel it would not have been possible for our public welfare systems to make the transition from cause to function.

ILLINOIS CIVIL ADMINISTRATIVE CODE

Governmental organizations, like all social institutions, develop slowly and often without any apparent plan. Nevertheless government must adapt its work to the changing human needs of the times. But new government needs are usually dealt with only as they arise without a complete analysis of the entire machinery of government. This type of haphazard development has characterized the history of our public welfare services. We have noted how the various institutions for the care of the dependent, defective, and delinquent classes arose without consideration of the other institutions and services of the states.

¹⁷ *Ibid.*, pp. 55-76.

The same thing was true in the other areas of public service. When Frank O. Lowden became Governor of Illinois in 1917 he found that there were more than 125 independent and unrelated agencies of the state government; some of them were boards, others were commissions, and still others were administered by individuals. In fact the situation was so bad that no two persons agreed upon how many independent agencies of state government there were. This resulted in much overlapping of work, in competition for purchases and supplies, in needless expense, and in greatly reduced efficiency. In theory all these independent offices and agencies were supervised by the governor, but it was really impossible for him to exercise any genuine supervision. After study, Governor Lowden concluded that the services of the state logically fell into various groups or departments. He also came to the conclusion that boards or commissions were not as adequate as individual control. "The fact is, as all who have had experience in business of any kind know, that it is the individual who does things — not a board or commission." With the passage of the Civil Administrative Code nine departments, each with an appointed director, were created: Finance, Agriculture, Labor, Mines and Minerals, Public Works and Buildings, Public Welfare, Public Health, Trade and Commerce, and Registration and Education.

The Code provided for the various subordinate officers within the several departments, but it did not define their precise duties which were prescribed by the rules and regulations of the director of the department. The directors served as a sort of cabinet for the governor. Thus he was in almost daily contact with the affairs of the state and the directors had direct control over the divisions of their departments.¹⁸

The idea of efficiency dominated the thinking of those in Illinois who were responsible for the adoption of the Code. Its main purpose was to give to public service the efficiency of private business. As a means of accomplishing this end the Department of Finance was made the keystone of governmental structure. It had two important powers: general supervision of the finances of the state, and preparation of the state budget. Thus it was the watchdog of the treasury charged with seeing that the state lived within its income, that unnecessary expenses were checked, and that the policies and procedures of all departments were coordinated. By law it had to

¹⁸ Frank O. Lowden, "Reorganization in Illinois and Its Results," *Annals* (of the American Academy of Political and Social Science), Vol. CXIII, No. 202 (May, 1924), pp. 155-61.

prescribe uniform accounting procedures; it had to examine, approve, or disapprove of all bills, vouchers, and claims against all other departments.

The reorganization of state government in Illinois was the beginning of a new period in public welfare organization. The Code, which provided for a Director of Public Welfare appointed by the governor and not subject to the policy-making control of a board, was soon emulated in other states. In 1918 New Jersey established a Department of Institutions and Agencies, modeled in many respects upon the Illinois pattern. The New Jersey law provided for a policy-making board with the power to select and appoint the chief executive officer who was called Commissioner.

The Illinois and New Jersey systems were widely copied. Both were large departments incorporating assistance, service, and institutional programs under a single agency. Other states such as New York established several departments rather than one to handle all the welfare service of the state. In New York under the Public Welfare Reorganization Act of 1929 there were three departments, one for corrections, one for mental hygiene, and one for social welfare.

Since the formulation of the Illinois plan there have been numerous questions raised concerning the wisdom of such a pronounced separation of public administration from the general public and the removal of the departmental executive from current political responsibility, except through the governor. Is it not too much power to be vested in one individual? Does it tend to create a bureaucracy with a caste system of civil servants divorced from democratic control? Is it an example of business efficiency or is it a monopolistic practice? It is impossible to answer questions of this sort with any degree of precision. The answers are dependent to such a large extent upon the personality of the individual department directors. Illinois was fortunate in having well-qualified men serving as the early directors. The modern tendency, however, has been to make the head of the state department of public welfare responsible to a citizen board appointed by the governor with the approval of the state senate.

DEVELOPMENT OF LOCAL WELFARE SERVICES

The earliest efforts in behalf of a sounder administration of public welfare were directed toward the coordination of state institutional programs. Local public welfare services remained, as they had been since colonial times, exclusively a matter of concern to local governments. In many instances the town rather than the county was the

unit responsible for the administration of outdoor relief. The private social services were concerned almost exclusively with the problems of urban centers. With the concentration of problems of health, unemployment, recreation, and personal maladjustment in large urban centers the development of voluntary scientific charitable agencies was to be expected. But these developments left the rural areas of America virtually without welfare planning and private social services.

As early as 1872, with the organization of the New York State Charities Aid Association, interest was manifested in this urban-rural disparity. The Association came into existence because of the inadequacy of the state's institutions to care for all the needy of the state, particularly the destitute and medically indigent. It was a private group of public-spirited citizens who studied these problems and suggested means of improving care for the various wards of the state. Early in its history the Association adopted the county as the ideal unit for the administration of many public welfare services. Their original plan was outlined for these groups: dependent children, adult paupers, and inmates of hospitals. A law was passed preventing children from being committed to almshouses. County committees assisted the overseers of the poor in locating foster homes for these children. Experiments in other fields were also carried out.¹⁹

By 1918 the New York plan operated in this fashion; a group of public-spirited citizens was organized as a county unit by the Association. This committee entered into a formal agreement with the county board of supervisors and the county superintendent of the poor whereby, in return for a financial contribution for the work, committee members became assistants to the superintendent. The committee then employed one or two social workers who worked primarily in the child welfare field. They investigated the family background of children, planned for their temporary and future care, sometimes in their own homes, sometimes in foster homes, and sometimes in institutions. Inasmuch as the social workers, who were called agents, were the only trained workers in the county they were given many additional responsibilities. They frequently acted as probation officers and investigators for the home service of the Red Cross.

This plan was in operation in twenty counties of New York in 1918. As Miss Curry reported, it "pointed the way to a more complete

¹⁹ For a description of the activities of the New York State Charities Aid Association in behalf of county public welfare agencies, see H. Ida Curry, "The County as a Unit in Charity Administration: Actual Experience," *Proceedings of the National Conference of Social Work*, 1918, pp. 241-44.

county program for child care." Nevertheless, it was an admixture of public and private social service, perhaps more private than public in its spirit and philosophy. It was not a plan whereby the county government accepted the responsibility and assumed the initiative of improving the public social services. All the county had to do was to accept the services and financial support of a private society. This represented a definite change in the attitude of those who administered the poor law, but it violated what was later to become a cardinal principle in public welfare administration — that public funds should be administered by public officials.

Other states were also experimenting in county organization. The Iowa plan, which originated at Grinnell in 1912, was also a quasi-public organization. Under this plan a private agency administered poor relief. This was accomplished by having the Secretary of the County Social Service League appointed as Overseer of the Poor. There was no legal mandate for such an organization and it was purely voluntary on the part of the county board of supervisors. An example was the Social Service Bureau of Wapello County. This agency was organized in 1914 and served as a private charity organization society and a public welfare agency in a county of 40,000 people. The county board of supervisors appointed the secretary as overseer of the poor, a special order of the district court gave the secretary supervision over widows' pensions, and the secretary organized a central registration service. From the outset the bureau had two guides: they could undertake no social work already provided, but would cooperate with the existing services; and they endeavored to start new programs of a remedial nature only.²⁰

The work of the Iowa plan was fostered by the Extension Division of the State University of Iowa. The Social Welfare Department of the Extension Division by invitation sent field workers to counties. After a survey of existing social services a social welfare league (or bureau) was often established and a trained social worker was hired and placed in charge.²¹ The Iowa plan, like the system advocated by the New York State Charities Aid Association, was promoted by a state-wide organization. In Iowa the extension division served in that capacity. In New Jersey, the Monmouth County Branch of the New Jersey State Charities Aid and Prison Reform

²⁰ Sara A. Brown, "A County Unit for Social Service," *Proceedings of the National Conference of Social Work*, 1917, pp. 645-47.

²¹ Bessie McClenahan's discussion of Miss Brown's paper in *Proceedings of the National Conference of Social Work*, 1918, pp. 647-48.

Association started in 1912 to coordinate the work of the various public welfare agencies of the county and to organize a case work service for those areas of the county not covered by other agencies.

These programs in New York, Iowa, and New Jersey were all attempts by private organizations to raise the standards of public agencies. However, several metropolitan areas were at this time establishing county departments of public welfare. The first city department of public welfare was established in Kansas City, Missouri, in 1910. The department had widespread authority for the relief of the poor and the care of the delinquent, the unemployed, and other groups. It even extended its activities to the endorsement of private agencies, the administration of a confidential exchange and a legal aid bureau, the licensing of dance halls, and the censorship of moving pictures.²² In January, 1913, St. Joseph, Missouri, established a combination county-city department of public welfare. The Cook County (Chicago) Bureau of Public Welfare was established in the same year, but its work was limited to the administration of outdoor relief. A city-county department was established in Los Angeles in 1914. Special legislation was enacted by the New York legislature in 1916 which permitted Westchester County^a to establish a department of public welfare.

In 1917 North Carolina enacted a law creating a State Board of Charities and Public Welfare and also making provision for the establishment of county departments. The law made it mandatory upon the Board to appoint an advisory board of three members in each county, and upon the county boards of supervisors to select a county superintendent of public welfare, to be approved by the state commissioner. The county superintendents served as the local agents of the State Board. They inspected county jails, acted as agents of the state child welfare commission, granted relief, served as probation officers, acted as chief school attendance officers, and assisted in coordinating all the social services of the county.

Missouri made provisions in 1921 for a system that was, in many respects, similar to the North Carolina program. The Missouri law, however, was permissive rather than mandatory and the local administrative authority was vested solely in the county courts with no genuine supervisory control from the state. The county superintendents in Missouri had the following responsibilities:

²² Stanley W. Haine, "The Development of Municipal Charities in the United States," *Proceedings of the National Conference of Charities and Corrections*, 1913, pp. 208-12.

1. Relief of poverty.
2. Care and placing of homeless, orphaned, and neglected children.
3. Enumeration of handicapped children.
4. Treatment of delinquents.
5. Enforcement of child labor and school attendance laws.
6. Care of mental defectives.
7. Promotion of wholesome recreation.
8. Organization of community resources for health and welfare.
9. Studying the causes of social problems.²²

AGITATION FOR IMPROVED PUBLIC WELFARE SERVICES IN RURAL AREAS

Widespread improvements were made in the state administration regarding the supervision of public charities. Likewise the establishment of municipal departments resulted in many local improvements in urban centers. Public welfare services in the rural areas, however, remained as they had been for generations. With the few exceptions already noted outdoor poor relief was administered by the overseer of the poor, an elected township official who served *ex officio* in that capacity. The local administration of poor relief was studied and condemned by numerous research workers,²³ but little was done to remedy the situation. The presidential address at the National Conference of Charities and Corrections in 1914 was entitled "The County — A Challenge to Humanized Politics and Volunteer Cooperation."²⁴ Numerous persons presented arguments in behalf of the county, especially the rural county, as a unit for the administration of public welfare. William H. Davenport, Secretary of the Baltimore Prisoners Aid Association, declared that "the county is the most logical unit for charity administration in the United States." He believed, "that the great need in rural communities is not for material relief, as given by the supervisors of the poor, or other agents, but is for a trained, capable social worker who can give service."²⁵ Professor George A. Warfield stressed that rural case work should be done "in the same way as it has been so long successfully carried on in the city."²⁶

²² Adapted from Howard W. Odum and D. W. Willard, *Systems of Public Welfare* (Chapel Hill: University of North Carolina Press, 1925), p. 225.

²³ See, for example, George A. Warfield, *Outdoor Relief in Missouri* (New York: Survey Associates, for the Russell Sage Foundation, 1915).

²⁴ By Graham Taylor, *Proceedings of the National Conference of Charities and Corrections, 1914*, pp. 1-14.

²⁵ *Proceedings of the National Conference of Social Work, 1918*, pp. 249-50.

²⁶ "The County as a Unit in Charity Administration: Outdoor Relief" in *Ibid.*, p. 252.

Some inroads were made in rural areas, but by 1925 comparatively little progress had been made. In that year it was reported that public welfare had still left the rural areas untouched; particularly in regard to the administration of outdoor relief. The county had become accepted by many as the ideal unit for the administration of public welfare services, but it was still unusual for rural counties to have adequate county-wide welfare units. This may seem strange when we realize the natural advantages of the county as an administrative unit. The county is the one nationwide unit of local government in the United States. Townships are found in a minority of the American states; in twenty-six states they do not exist, and in five they exist in name only. The municipalities, where public social service is fairly well organized, often cover a small portion of the county. But the county²⁸ exists as an administrative unit in every state.

The county also has the advantage of being neither too large (as is the state) nor too small (as is the township) for the administration of assistance and service on a person-to-person basis. Also the county is a preferable unit to the township from the point of view of taxation. Many related services — such as county agricultural agents, employment services, and private social agencies such as the Red Cross — operate on a county basis.²⁹

But the old order died hard. The administration of poor relief had been the prerogative of the township since colonial days. It had become entrenched as a part of the responsibility of locally-elected officials. It was perpetuated by custom and tradition and supported by the people who often believed that a larger unit for administration, especially when accompanied by state supervision, would mean increased taxation. Nor were the local people themselves the only ones who were to blame for this situation; the state departments of public welfare were guided in too many instances by a "brick and mortar philosophy" which meant a concentration upon institutional buildings and custodial care. Professional social workers often believed that the city with its tenements and sweat shops was the only place in which to practice their art.

As a result the coming of the depression in 1929 found the American counties unprepared to assume the administrative responsibilities for unemployment relief. Valuable experience was gained through the county units established by the Federal Emergency Relief Adminis-

²⁸ Or its administrative and political equivalent, the parish, which is found in Louisiana.

²⁹ Odum and Willard, *op. cit.*, pp. 226-29.

tration, but in most counties the Emergency Relief Administration had not been preceded by the experiences of New York, North Carolina, or Iowa. Hence the influence of the Emergency Relief Administration was not always positive in the rural areas. Since the emergency relief period county departments of public welfare have been established throughout the county, but in rural counties these departments have not always been completely integrated with the community mores.

Selected Bibliography

- Robert W. Kelso, *The Science of Public Welfare* (New York: Holt, 1928).
Alice Campbell Klein, *Civil Service in Public Welfare* (New York: Russell Sage Foundation, 1940).
Porter Lee, *Social Work as Cause and Function* (New York: Columbia University Press, 1937).
Howard W. Odum and D. W. Willard, *Systems of Public Welfare* (Chapel Hill: University of North Carolina Press, 1925).
Proceedings of the National Conference of Charities and Corrections, 1874-1917.
George A. Warfield, *Outdoor Relief in Missouri* (New York: Survey Associates, for the Russell Sage Foundation, 1915).

8. The Charity Organization Movement and Public Welfare

THOMAS CHALMERS AND THE THEORY OF LOCALITY¹

The charity organization movement, like so many developments which have had a profound influence upon American social policy, originated in England. This movement has been of both positive and negative importance in molding the administrative pattern of present-day public and private programs for the relief of human distress. Hence it should be examined in some detail. Before we do so, however, we should first take note of some of its antecedents.

Thomas Chalmers (1780-1847) was an eminent Scottish theologian, philanthropist, orator, author, and economist who laid the groundwork for the charity organization movement. A clergyman of the Presbyterian Church of Scotland, Chalmers first became interested in poor relief when he became pastor at the age of thirty-five of Tron Church in Glasgow with 11,000 parishioners.

The Reverend Chalmers won his congregation with his powerful preaching, but he was more than a preacher; he was also a parish minister in the full sense of the word. Adhering to the precepts of a minister of the Established Church of Scotland, he set out to visit every home in his parish. This was a practice that was then ordinarily carried out only in rural areas.

In the process of his parish visits Chalmers discovered many poor persons who had no seat in the Church, who were illiterate, and who were in need of moral training. He determined to remedy this situation and his first plan for doing so was the establishment of several Sabbath schools in the poorer districts. He soon began to recognize the English poor relief system which had been adopted in Scotland.

¹ The sources for the material on Thomas Chalmers are: Thomas Chalmers, *The Christian and Civic Economy of Large Towns*, abridged and edited by Charles R. Henderson (New York: Scribner, 1900); Donald Fraser, *Thomas Chalmers* (New York: Armstrong, 1882); George Gilfillan, *A Gallery of Literary Portraits* (London: Dent, 1909), pp. 1-11; and William H. Hanna, *Memoirs of the Life and Writings of Thomas Chalmers, D.D., L.L.D.* (New York: Harper, 1850).

He disliked the idea of public responsibility for the care of the poor, feeling that it destroyed their independence and industriousness. In its stead he would have placed the old parochial system because he believed in its capacity for relieving the condition of the poor through local voluntary contributions. He preferred to depend upon familial ties to care for the aged and the impotent, neighborly kindness to relieve the "unfortunates," and the compassion of the rich for the poor.

Pauper relief in Chalmers' day was a pathetic program and there is little wonder that a thinking person should condemn it. Money was raised for poor relief in two ways in Glasgow: by general assessment which was placed at the disposal of the Town Hospital Committee; and by church collections which were turned over to the General Session, composed of ministers and elders from the entire city. There was a continuous flow of paupers from the General Session to the Town Hospital because the latter merely supplemented the former. Chalmers declared that "there scarcely could have been set-a-going a more mischievous process of acceleration toward all the miseries and corruption which are attendant upon overgrown charity."

He was so confident in the superiority of the parochial system that in 1819 he voluntarily dissociated himself from his congregation to take charge of a new parish, St. John's, in a poor section of the city. He received permission to care for all the poor in his district except those already on the Town Hospital rolls, and he proceeded to put his theories into operation.

The parish was divided into twenty-five districts, in each of which were approximately four hundred people. A deacon was placed in charge of the "temporal welfare" of each district. He was responsible for all new relief applications and administered the voluntary contributions which amounted to about eighty pounds per year. At the end of four years the deacons had accepted only twenty new applications at a cost of only twenty-six pounds per year. This was a tremendous reduction in cost and as Chalmers proudly observed, the results were not because of neglect, but because of additional attention.

According to his plan poor relief was the last expedient. He said, "This should in every instance of mere poverty be looked on as the *dernier ressort* — a sort of necessary evil, which one submits to because he cannot otherwise help it, and not till every right method has failed by which to anticipate and avoid it." Chalmers and his deacons stimulated the industry of all persons who were destitute and they endeavored to improve their economy and plan of expen-

ditures. The deacons sought out friends and relatives of the poor and found out how much they would contribute toward their keep. The cases were made known to neighbors who were to "make a joint effort of liberality." Other steps were also provided: if the applicant was a "dissenter" he was referred to a "dissenting place of worship" to see if its session would contribute to his support, and cases were to be made known to one or more wealthy friends who "might interpose for the rescue of some struggling family."

If all these devices failed, then the case of a person in distress was brought before the deacon's meeting. Their first effort was to protest the introduction of his name upon the regular "pauper roll." Deacons checked upon one another's cases to see if an error had been made. Then by the time of the next meeting "if they still think him a fit object" he was placed upon the fund at a specified rate.

Chalmers left four years after the plan was started, but the plan remained in successful operation for another fourteen years and was finally terminated at the request of the deacons themselves. Why did they give up Chalmers' scheme? He blamed the mercantile spirit of the times. It should also be noted that the driving force behind the scheme was his forceful and vigorous personality.

He left the St. John's experiment to become Professor of Divinity at the University of Edinburgh where he became happily settled in a career of teaching and writing. During his lifetime he published twenty-five books and innumerable articles on political economy, the English and Scottish poor laws, his own system of parochial relief, theology, home missions, Sabbath schools, workingmen's savings banks, the independence of the church, and numerous other subjects. After his death nine volumes of his works were published posthumously.

Despite the wide range of his activities he is best known for his theory of locality for the administration of parochial relief. The systematizing of this principle, together with his corollary of individual investigation, was important. While his conclusions in regard to public relief are considered to be unsound, he is credited by Philip Klein as the one who originally established the case work method.² Chalmers also emphasized a small "geographical vineyard" as the area for the mutual assistance of human beings. The Eberfeld relief system in Germany and the charity organization movement in England and America were to a large extent patterned upon his experiment, even though their programs were wiser and sounder in many

² Philip Klein, "Social Case Work," *Encyclopedia of the Social Sciences*, Vol. XIV, p. 173.

respects. The charity organization movement is still in existence, although under a different name and with principles attuned to the present day.

RELIEF EXPERIMENTS IN HAMBURG¹

The doctrine of public responsibility had not developed in quite the same way or to quite the same extent on the continent of Europe. Several interesting developments in relief administration, however, had been established in Hamburg and Munich. The work in Hamburg has been described by Baron Kaspar von Voght who was one of the leading figures in the experiment.

This experiment lasted for six years, from 1788 to 1794. The city during that time had a population of 120,000 and in all 7000 poor were fed and 2500 were hospitalized. This was the philosophy of the experiment: bodily wants of men are usually satisfied by toil, but not all men are equally successful, sober, honest, or provident. Some people are the victims of incapacity, vice, and folly. Public and social justice demands instruction and correction for them. In keeping with this philosophy the plan called for the contribution of money by the citizens and counsel and advice for the poor. The city was divided into sixty districts, each with an equal number of poor. A committee of ten directors who were chosen for life was presided over by five senators. Overseers (chosen from the districts for three-year terms) took care of the poor in the districts in accordance with detailed instructions published by the board. The overseers made investigations of the applicants for relief in their districts and found out the average earnings of each member of the family, the health of each person, and his exact needs. The physical conditions and capacity of each individual for work were determined by a physician.

Under the Hamburg plan no one was given that which he might be able to earn. A flax spinning establishment was donated to the city by a private society and this was used for the work of the poor. This had many advantages; the material was cheap, there was a sure sale for the product, the workmanship did not have to have too high a standard, the work could be done easily, and individual output could be measured readily. The flax was sold to the poor at a fixed price and the yarn was later bought back.

Not all poor persons could be placed on such a work relief project.

¹ Material on the Hamburg experiment adapted from Baron Kaspar von Voght, *Account of the Management of the Poor in Hamburg Since 1788* (London: 1796).

For the aged, the sick, and the diseased each district had a hospital, five physicians, five surgeons, and numerous midwives. When people needed help they were given it, plus food, medicine, and "sick money!" Mothers with dependent children were given special assistance. The children of drunkards were taken out of the home and boarded with responsible persons. Day nurseries were provided for the children of working mothers.

In fact the entire system was operated with ruthless Teutonic efficiency. Schools were established for children from six to sixteen where they were instructed in reading, writing, arithmetic, religion, and church music. No relief was given for a child over six unless he attended school, and continued assistance depended upon his behavior and application to school work. Rent for poor people was paid directly to the landlord and deducted from their wages. A list of the poor was made and their houses were numbered so all knew where they lived.

The administrative structure was likewise well organized. The overseers submitted reports to the committee who recorded them, accounts were all audited, the treasurer balanced the accounts every week and reported to the committee every month. Special committees were organized for manufacturing, for schools, for clothing, and for policing.

There were several benefits from the plan. Mortality among the poor decreased from 7 per cent to $4\frac{1}{2}$ per cent in 1792 and adequate assistance was granted to those in need of relief. The leaders of the plan envisioned new areas of activity. For example, three kinds of schools were planned to prevent misery by better education of the young. The first school was for those who did not work; they were to be taught spinning, weaving, knitting, reading, writing, arithmetic, and religion. The pupils were recommended for domestic service or, in the case of boys, for the maritime service at age sixteen. The second school was an evening school for working children and the third was a Sunday school.

The Hamburg plan, like Chalmers' plan, emphasized investigation of individual applicants. This, as we have noted before, was a progressive development. Individual investigation emphasized the possibilities of rehabilitation and reconstruction; assisted in the establishment of improved administrative techniques; and led to the introduction of the case work method. The Hamburg plan, therefore, was significant in the history of public welfare despite the fact that its primary concern was in diminishing the volume of poverty and eliminating vice and idleness.

MUNICH EXPERIMENT⁴

In order to understand the plans for relief in Munich we must first turn to Count Rumford and his plan for reforms in the Bavarian Army. When he took over command this army was poorly paid, badly clothed, inadequately housed, demoralized by inferior training, and the enlisted men were regarded as slaves by the officers. Through his efforts their pay was raised, their clothing improved, and the barracks were kept clean. A tactful politician and diplomat, Count Rumford made the officers believe that they were personally introducing the reforms. He also made many reforms in behalf of the soldiers' welfare. They were allowed more liberty, schools were established for their children, soldiers were used on public works and taught agriculture, and garrisons were made permanent and located near cities.

The army was used by the Count in carrying out his reforms in behalf of the poor. Military guards helped the civil authorities in apprehending thieves and vagabonds and delivered them to civil magistrates. At that time the condition of the poor in Bavaria was desperate; many beggars roamed the countryside as well as Munich, the capital. They stole from homes, interrupted people on the way to and from worship, and were even thought to blind their children so they could evoke public sympathy. During the period 1786-1790 more than ten thousand vagabonds and beggars were arrested and delivered by the soldiers to the magistrates of Munich (then a city of sixty thousand).

Count Rumford decided that something should be done about the problem and persuaded persons of the highest rank to secure voluntary contributions from others. Then he set out to secure suitable employment for those who were able to work, adequate assistance for the unemployable, and a system of reclamation for all the poor. The top administrative unit was an unpaid committee consisting of the president of the council of war and one councilor, the president of the supreme regency and one councilor. The paid personnel consisted of a secretary, a clerk, and a bookkeeper who were paid from the royal treasury. Money collected for the poor was kept in a sepa-

⁴ The sources for the material on the Munich experiment are: Sir Benjamin Thompson, *Essays Political, Economical, Philosophical* (London: 1795); George E. Ellis, *Memoir of Sir Benjamin Thompson, Count of Rumford* (Philadelphia: Claxton, Remsen, and Haffelfinger, 1871); David Starr Jordan (Ed.), *Leading American Men of Science* (New York: Holt, 1910); and Jason Clark Easton, "Social and Economic Reforms of Count Rumford in Bavaria" (unpublished Ph.D. dissertation, University of Wisconsin, 1937).

rate account by a responsible banker. Cash grants were distributed every Saturday night at the town hall and a complete list of the recipients was posted.

The city was divided into sixteen districts and the houses numbered. A committee (called a commissary) comprised of a citizen, a clergyman, an apothecary, a physician, and a surgeon was appointed for each district. A person in need of relief applied to the commissary who, after a personal investigation, granted the necessary aid. The funds came from the royal treasury as well as from voluntary contributions.

The able-bodied poor were set to work in a spacious and comfortable building. Necessary materials and utensils were provided and a warm dinner was given to them every day. Labor was paid for by the piece, so the best workers were the best paid. A bakehouse, carpenter shop, halls for spinners, check rooms for inspectors, counting houses, and many other facilities were provided. Each room was appropriately labeled and over the main door of the building was a large sign which read "No Alms Will Be Received Here."

Count Rumford's activities on New Year's day, 1790 (the "Beggars' Holiday") illustrate his efficiency. On that day the Count, accompanied by a civil deputy, arrested the first beggar he saw and asked him to report to the city hall. The soldiers followed his example according to a well-developed plan and in this way Munich was cleared of beggars in less than half an hour. They were registered at the city hall and told to report at the workhouse the next morning.

The plan for Munich influenced many other cities. Many visitors came to see the program in operation. In suggesting the plan for other cities Count Rumford always recommended that voluntary assistance was necessary, that the plan be administered by high ranking persons, that no fees or rewards be paid to the people who supervised the work, and that a list of all recipients be published. He always suggested the use of work projects as a means of training the poor in habits of industry. Adequate assistance and humane treatment of the poor were also suggested.

One might think that the Count, who organized the experiment, was a typical German aristocrat with unusual interest in the poor, but he had been born in North Woburn, Massachusetts, in 1753 as plain Benjamin Thompson. His family were farmers and they provided him with schooling until he was eleven. Two years later he was apprenticed to a merchant but he became more interested in scientific experimentation than in business. At the age of nineteen he was described as a handsome, manly person with a gracious manner. After

his marriage to a wealthy young widow he became a major in the Colonial forces, but his pro-British sympathies forced him to leave the country and he went to England where he was welcomed by the government.

Strangely enough Benjamin Thompson, who was born a poor boy in America, returned to the colonies during the Revolution as a commander of the King's American Dragoons. A later visit to the continent led to an introduction to Karl Theodor, Elector of Bavaria, who wanted him to remain in Bavaria and help reorganize the army. Since the King of England had knighted him he remained as Sir Benjamin Thompson.

His interest in scientific experimentation led to his invention of the "Rumford Roaster" for more efficient utilization of heat in cooking, a design for a chimney that eliminated a great deal of smoke, and the use of double walls in houses for the retention of heat. In his most significant experiment, however, he discovered that heat is a form of motion and, as a result, perfected a dynamic theory of heat.

When he was made a Count of the Holy Roman Empire he chose Rumford, the name of his wife's home (now Concord, Massachusetts), even though he never saw his wife after leaving America. Although his activities covered a wide field of human knowledge his statue in Munich bears this inscription:

To him who rooted out the most scandalous of public evils — idleness and mendicancy, who gave to the poor help, occupation, and morals; and to the youth of the Fatherland so many schools of culture. Go, passer by, try to emulate him in thought and deed; and us in gratitude.

ELBERFIELD SYSTEM⁵

The Elberfield system of relief was supposed to have originated in Germany in the 1840's. Actually it was a continuation of the developments in Hamburg and Munich, with a few original innovations. The charitable work of Elberfield had been chiefly in the control of the church until 1800 when an independent Board of Charity was formed. Actually the Board was only a quasi-lay organization, for the three parishes chose two citizens each, and these six were the only members of the Board. However, contribution to the new organiza-

⁵ The sources for the material on the Elberfield system are: Frank D. Watson, *The Charity Organization Movement in the United States* (New York: Macmillan, 1922), pp. 44-49, and Stuart A. Queen, *Social Work in the Light of History* (Philadelphia: Lippincott, 1922), pp. 103-04.

tion was obligatory for the citizens. Another innovation was the forbiddance of begging.

This system remained in force until 1853 when a change was effected largely through the efforts of Daniel von der Heydt. The city was districted and a citizen visitor (*Armenpfleger*) was put in charge of each district. Such service was compulsory and according to regulations each visitor had charge of only four needy families. All applications were investigated by the visitor who was also obliged to visit each family at least once every two weeks. The minimum amount of relief was established by law and any income in the family was deducted therefrom.

A difference should be noted between this plan and the one established by Chalmers. The *Armenpfleger* was, in effect, a public official with authority to dispense poor relief from taxes. Chalmers' deacons were armed primarily with sympathy and were the forerunners of the friendly visitors of charity organization societies.

The Elberfeld system met with marked success and the general outlines of the plan became the standard method of administering poor relief in Germany. It also was of some influence upon the leaders of the English charity organization movement. Sir Charles S. Loch made a rather detailed study of the system. American charity organization leaders likewise were aware of the Elberfeld system. Robert M. Hartley, one of the early leaders of the New York Association for Improving the Condition of the Poor in the 1840's, appears to have received more of his ideas from Germany than from England. Charles G. Ames was reported to have been influenced by the Elberfeld system when he was organizing the charitable activities in Germantown, Pennsylvania, during the winter of 1872.

The experiments in Hamburg, Munich, and Elberfeld were known to a large group of people in England. Count Rumford's *Essays*, originally published in England in 1796, had four additional editions by 1800. Apparently, however, the Hamburg and Munich experiments had little noticeable influence upon public welfare policy. The so-called reforms of 1834 which resulted from the study of the Royal Commission were not based upon foreign experiences. The Poor Law Commissioners finally did make a study of relief abroad, but issued a thousand-page report of their findings only after the Poor Law Amendment Act was passed.

Thomas Chalmers' experiment, however, had a direct bearing upon English social policy. Ahead of his time, he differed in several important ways from others who had previously attacked the poor law. He invented a technique of investigation and contributed a philos-

ophy for work with dependent persons, experiments which were later instrumental in the development of social case work. While his methods were similar to those used in Hamburg and Munich, the philosophy was his own. It was indigenous to the country and, all things considered, it was progressive. The charity organization movement, which soon spread throughout the English-speaking world, was built largely upon his theories and procedures.⁶ His concern with the individual condition of the needy was absorbed by Octavia Hill, Sir Charles S. Loch,⁷ and others, and led in 1869 to the establishment of the London Charity Organization Society.

CHARITY ORGANIZATION MOVEMENT IN ENGLAND

In nineteenth century England the poor law was not the only means of relieving distress. Local private philanthropic societies were also flourishing, especially in London. The Strangers' Friend Society, for example, was organized in 1785 and intended for the relief of paupers without settlement. The Society for the Suppression of Mendicity was founded in London in 1818. An organization which worked entirely through the clergy, the Metropolitan Visiting and Relief Association, was founded in 1843. In addition to these more or less organized charities, there were coal and bread clubs and soup kitchens, the influence of which on the independence and self-respect of the large classes of the poor was, in the opinion of many informed persons, anything but salutary. The spirit of religious almsgiving was continued through the vehicle of the various visiting and Bible societies, the granting of relief being secondary obligations for these organizations. There were likewise organizations, such as the Parochial Women's Mission Fund, to assist the poor in saving money; this particular organization also gave free nursing care to the poor in their own homes.

The private relief societies, as well as the poor law, were attacked because they were "a permanent encouragement to the mendicant life." Charitable agencies both private and public were unorganized, and because they were in competition with one another were offenders in the granting of indiscriminate alms and inadequate relief. The overseers of the poor purposely granted inadequate relief because they knew the recipients would apply and receive aid from the pri-

⁶ Karl de Schweinitz, *England's Road to Social Security* (Philadelphia: University of Pennsylvania Press, 1943) pp. 98-113.

⁷ Sir Charles S. Loch, *Charity Organization* (London: Sonnenschein, 1890).

vate charities. The private charities were forced to grant some relief to the applicants because they knew the public poor relief grants were inadequate. Neither the public nor the private agencies accepted the principle of giving assistance upon the basis of personal investigation.⁸

Nevertheless the air of London seemed to be charged with a reform spirit and there were numerous discussion groups on social problems. These groups led to the formation of the Social Science Association in 1857. The Society of Arts also had a definite social science flavor and in 1868 the Reverend Henry Solby, a Unitarian minister, presented a paper at one of its meetings on "How to Treat the Unemployed Poor of London and the Rough and Criminal Classes." His suggestion for a new agency to bring charity workers together created much discussion.

Housing conditions were the chief concern of the Society for Improving the Conditions of the Laboring Classes which was organized in 1844, with Lord Shaftesbury as Chairman. In 1864 Octavia Hill began her work as a housing reformer. With the help of John Ruskin, she leased three houses in a poor district of London, which were repaired and let out to the poor with Miss Hill collecting the rent and supervising the social relations of the tenants.

The members of the Society of Friends were also interested in social problems. William Allen and Elizabeth Fry took up the struggle for developing better methods of working with paupers and criminals, especially the latter. They worked among the Newgate convicts and backed attempts to secure legislation to improve the treatment of prisoners. They also endeavored to organize societies for the friendly visiting of the poor.

The role of the great universities should also be mentioned. The charity organization movement was launched in the face of great odds and innumerable difficulties. The role played by the universities in the social thought — both theoretical and applied — of the time was of great assistance to the movement. Knowledge of the social ills of London had been brought to the attention of the universities by the 1850's. By 1860 there were undergraduates working on a part-time volunteer basis at the Workingman's College which had been founded by Edward Denison in 1854. Denison first came in contact with the poor as an almoner of the Society for the Relief of Distress. In 1867 he took up residence in the poor district of Stepney. There he developed night classes, schools, workingmen's insti-

⁸ Helen Bosanquet, *Social Work in London, 1869-1912* (London: Murray, 1914), pp. 1-27.

tutions, and sanitary reforms. He believed in self help. "No man," he wrote, "can deliver his brother, he can but throw him a plank." Accordingly, he gave the "alms of advice." But he also believed in economic reforms: housing, sanitary reforms, and a great expansion of education. Some Oxford and Cambridge enthusiasts who were looking for a more practical and immediate solution to social problems settled among the poor upon leaving the universities. There they studied the conditions of the poor and hoped to find the causes of poverty. After the early death of Denison numerous clubs named in his honor were started by these university men. They were the forerunners of social settlements.⁹

The activity of reformers was not, in and of itself, enough to bring the charity organization movement into being. Some of the immediate factors which brought it into existence were economic in nature. In the years during the American Civil War there was a depression in England due to the cotton famine. At that time the poor rates went up by leaps and bounds and the boards of guardians were besieged by threatening crowds. The guardians granted inadequate relief because they knew the private agencies would supplement it. The private agencies did the same thing. In the city of London between 1860 and 1869 the number of people supported, in part or wholly, by public poor relief increased from 85,000 to 120,000 and the annual expenditure increased from four to seven million pounds. In addition vast sums were spent by numerous private agencies and benevolent individuals. Many agreed that action to co-ordinate all these efforts was needed.¹⁰

This led to the formation of the London Charity Organization Society in 1869. Prior to that time little of what we now label social work was in existence. Poor relief was essentially the same in its philosophical approach as it had been three centuries before, and private societies, judged in the light of present knowledge, did not dispense aid according to individual need. Public assistance for the dependent classes consisted of indoor and outdoor relief; and the chief criticism of the system — if such it could be called — was that aid was given without investigation, and there was no means of discovering duplication.

The Society was fortunate in the caliber of men and women who were attracted to its cause. Among these were Lord Shaftesbury, Sir Charles Trevelyan, Charles Bosanquet, the Archbishop of Canterbury, the Bishop of London, John Ruskin, Cardinal Newman, and

⁹ Watson, *op. cit.*, pp. 52-53.

¹⁰ *Ibid.*, p. 53.

William Gladstone. The experience of Chalmers was at their disposal as was the contemporary work of Octavia Hill, who had a marked influence in determining the original policies of the Society. The year of the founding of the Society she published a paper on "The Importance of Aiding the Poor Without Alms-giving." Edward Denison also helped shape its policies.

The aim of the Society was the scientific supervision of all charitable work. Personal investigation was its cardinal principle. The investigation attempted first to determine why the individual was in distress. If he was deemed habitually dependent he was referred to the poor law authorities, otherwise he was referred to a private society. The Society, however, acted merely as an intermediary, referring applicants to other organizations or benevolent individuals who could grant the necessary assistance. It used its own funds only when a referral could not be made.

Forty district committees whose function was to investigate and deal with all cases referred to them were set up under a central council. The central council endeavored to supervise and consolidate the work in the districts and to govern the general actions of the Society. Within four years after its founding the metropolitan area was fairly well covered with district committees.

CHARITY ORGANIZATION MOVEMENT IN AMERICA

The lag in the assumption of duties by public welfare agencies in America can likewise be traced to the origins of the charity organization movement. This movement in America, although transplanted bodily from England, arrived during an industrial depression which began in the fall of 1873. Industrial conditions were then in a state of flux with local workshops giving way to a nationwide factory system. The increased urban population, with its resulting concentration of social problems, demanded administrative devices in order to care for those in need.

The first American charity organization society was started in Buffalo in 1877 where the evils of indiscriminate almsgiving were quite pronounced, the overlapping of charity marked, and the citizens convinced that the municipal poor law was essentially wrong.¹¹ The Reverend S. Humphreys Gurteen, Associate Rector of St. Paul's Episcopal Church, returned from a trip to London where he had been impressed with the mechanics of the London Charity Organization Society, at a time when the field was fertile for similar developments

¹¹ Watson, *op. cit.*, pp. 178-80.

in America.¹² A wave of charity organization soon rolled across the country, and many of the existing private social agencies originated as charity organization societies between the late 1870's and 1910.

AMERICAN ANTECEDENTS

Care of the poor under private auspices did not, of course, originate with the charity organization societies. Indeed, without the presence of innumerable uncoordinated private agencies there would have been no need for charity organization societies. Sporadic private agencies, which existed in America from early colonial times, often restricted their activities to rather narrow fields, such as religious or nationality groups. Among these were the St. Andrew's Society of New York founded in 1765, the German Society of New York (1784), St. Andrew's Society of Baltimore (1806), the French Benevolent Society of New York (1809), and the German Society of Baltimore (1817).¹³

The earliest Protestant church charity which became permanent was the Boston Quarterly Lecture established in 1720. Quarterly meetings were held on Sunday evenings with a collection taken for benevolent purposes. In the eighteenth century there also were founded charitable organizations based upon special categories. The Philadelphia Society for Alleviating Miseries of Public Prisoners was founded in 1787, the Massachusetts Charitable Fire Society in 1794, the New York Society for the Relief of Poor Widows with Small Children in 1798.

The New York Society for the Prevention of Pauperism was founded in 1817. This society made a study of the causes of pauperism which were listed in this order: ignorance, idleness, intemperance, want of economy, imprudent marriages, lotteries, pawnbrokers, houses of ill fame, gambling, and charitable institutions. As a remedy they suggested dividing the city into districts with two or three visitors to a district. They also suggested the elimination of street begging and a plan to coordinate charitable efforts. It should be noted that these societies preceded the charity organization movement by half a century.

Joseph Tuckerman, a Unitarian minister from Boston, also had a plan that was in advance of his time. After twenty-five years of ministerial work in a parish, he turned to city missionary work in Boston,

¹² S. Humphreys Gurtzen, *A Handbook of Charity Organization* (Buffalo: published by the author, 1882), p. 19.

¹³ Amos G. Warner, *American Charities* (New York: Crowell, 1890), p. 18.

calling himself a minister-at-large. In 1832 he was appointed by the Massachusetts legislature to study the relief of paupers. He made reports on public relief of the poor, morally neglected children, seasonal unemployment and low wages, compulsory school attendance, and housing conditions. In his frank recognition of the economic component in poverty causation Tuckerman broke with the dominant belief of the time, which was that poverty is caused by personal moral inadequacy. He declared that individual investigation was necessary in order to understand individual variations. All charity workers, he believed, should be motivated by a deep respect for every human being. He also advocated a bureau of central registration for public and private charitable agencies.

In the winter of 1842 an informal committee was organized in New York City to consider sources of relieving distress following a depression and a hard winter. They condemned the lack of discrimination in almsgiving, the absence of cooperation between agencies, the lack of friendly visitors, and the failure of public poor relief. To correct all these evils they founded the New York Association for Improving the Condition of the Poor. Robert Hartley, the guiding spirit in the new organization, was primarily interested in improving the conditions of the poor so they could become self-sufficient. The Association divided the city into twenty-one districts with a visitor in each district and in 1846 developed a system for supplying medical aid to the poor. The recipients, however, had to abstain from using intoxicants and had to send their children to school and to apprentice them at a suitable age.

This Association was also interested in social reform. In 1852 it built a public bathing establishment at a cost of \$42,000, in 1854 it assisted in the organization of the Children's Aid Society, and in 1853 it fostered the Society for the Relief of the Ruptured and Crippled. While it stressed the need for cooperation among charitable agencies nothing was accomplished in this direction. A report issued in 1853 offered recommendations for the improvement of tenements. A broad educational program was carried on to prevent the adulteration of milk which resulted in prohibitive legislation in this respect.

Similar associations were established in many other cities; Brooklyn (1843), Baltimore (1849), Boston (1851), Philadelphia (1855), Chicago (1857), St. Louis (1860), and St. Paul (1876). All of these societies, however, had become mere almsgiving organizations in the period just before the development of the charity organization movement.¹⁴ Prior to 1877 there were so many private agencies

¹⁴ Watson, *op. cit.*, pp. 82-87.

working at cross purposes with one another as to require an organization of charitable efforts. The history of charity organization in New York is illustrative of this point. The New York Society for the Prevention of Pauperism was founded in 1817, and was followed by the establishment of the Association for Improving the Condition of the Poor in the 1840's. When the New York Charity Organization Society was organized in the 1870's there were literally hundreds of petty relief-giving societies in addition to the Association for Improving the Condition of the Poor — all of them in competition with one another. The Society was, therefore, inaugurated to systematize and integrate the work of the various organizations.

The original demand of the charity organization societies, as their name implies, was for organization. The basic plan was not to grant relief, but merely to utilize those relief-giving facilities in existence. This method of attack was soon discarded and the majority of the societies became relief-dispensing bodies. In addition they developed a "theory of adequate knowledge"; relief when granted was to be issued only after thorough investigation and in quantities sufficient to maintain the recipient above the poverty line. "Through the careful and systematic examination of conditions in homes where want is found," reported one Society crusader, "the society develops a series of skilled workers who are as necessary to the poor in their need as a piano tuner to properly tuning a piano that gives out discordant notes."¹⁶ This is an interesting statement — it not only suggests the importance of investigating the circumstances of the poor, but indicates that the original charity organization societies were examples of "bourgeois benevolence" in that they desired to minimize the "discordant notes" that might be sounded by the poverty-stricken. "Friendly visiting" of the charity organization societies, however, which was a complement to investigation, was the predecessor of modern case work. Public agencies were not, of course, considered as promising mediums for the application of case work. In fact, as has already been indicated, the charity organizers desired to abolish the public poor relief agencies.

The investigations of the early charity organization societies, in light of modern standards, were investigations in name only. Actually much of their early activities were from a negative approach — registration, suppression of fraud, and duplication of relief, as well as investigation. Nevertheless from the early work of the charity organizers modern case treatment resulted. It should be emphasized

¹⁶ *Proceedings of the National Conference of Charities and Corrections, 1891*, pp. 109-10.

that the development of the so-called "technological skills" in modern social work from indiscriminate almsgiving was no mean achievement.

EFFECTS OF THE CHARITY ORGANIZATION MOVEMENT

The charity organization movement was thus responsible for the establishment of our modern private social agencies and the introduction of the case method with the subsequent professionalization of social work. It also was responsible for an attempt to abolish, or to minimize the influence of, the public administration of relief. The charity organizers were not intent upon organizing and systematizing the administration of public poor relief; they were intent upon abolishing it. They considered the receipt of poor relief to be degrading to the individual, partisan administration to be inherent in the system, and the eventual expense to be prohibitive. A determined drive was undertaken which resulted in the abolition or almost complete cessation of poor relief expenditures in many American cities.¹⁶ Innumerable relief-giving societies with such names as Society for Improving the Condition of the Poor and the Society for Increasing the Material Comforts of the Poor undoubtedly were expressions of bourgeois benevolence. Likewise, these societies were a means of keeping workers satisfied and an opportunity for the "robber barons" to gain recognition as men with sensitive religious and social tastes. It must not be overlooked, however, that out of this welfare capitalism emerged our modern private social services. We should not be too severe in our appraisal of the early leaders in private social work. It must be remembered that they were reflecting the majority view in regard to governmental services. Theirs was an age of economic individualism, an age of rapid expansion in industry and population with an attendant frontier psychology, and an age whose political philosophy demanded a minimum of public service. The movement, viewed in the light of its history, was on the whole a progressive one.

¹⁶ Public poor relief was completely abolished between 1879-1890 in at least eight large American cities: Brooklyn, New York City, Baltimore, Philadelphia, Washington, St. Louis, Kansas City (Missouri), and San Francisco — in the order named. (Fred R. Johnson, "Public Agencies for Needy Families," *Social Work Year Book 1929*, pp. 344-47.)

SUBSIDY SYSTEM

With the emphasis upon voluntary rather than public responsibility for the care of dependent persons it became expedient to give public funds to private agencies. This was particularly noticeable in large cities. In 1893 the Senate, the governing body for Washington, D.C., considered an amendment to an appropriation bill which would have authorized the contracting of the poor to private agencies and institutions that would care for them at 10 per cent less than public cost. This was by no means a novel idea for Congress had, since 1874, appropriated \$55,000 for the Home for the Aged of the Little Sisters of the Poor. Annually Congress had appropriated public funds for the use of private charities. In 1892, for example, twenty-eight agencies in the District of Columbia had received \$117,630 in public funds. In the same year only \$119,475.05 was appropriated for public agencies.

Conditions in New York City were similar. In 1890 it was found that \$1,845,872 was granted as subsidies to private institutions for the care of paupers, while \$1,949,100 was spent by public agencies for the care of prisoners and public paupers.¹⁷ In 1889 the Pennsylvania legislature found that approximately one-third of the annual appropriation for charitable and correctional purposes was granted as subsidies to private agencies. Pennsylvania had been granting subsidies to private agencies at least since 1751 with the first recorded subsidy to a local hospital. As late as 1929 the state granted subsidies of \$3,144,050 for hospitals and an additional half million for institutions for the aged, dependent children, and others.¹⁸

The subsidy system became so well established in fact that by 1929 twenty-four states appropriated more than seven million dollars to private charities. In all but five states local authorities were authorized to make payments to private agencies and institutions. Connecticut, Delaware, Maine, Maryland, and Pennsylvania were the states that used the system most widely.¹⁹

The weight of informed opinion has always been against the subsidy system. If subsidies had to be made the authorities usually suggested that they be "specific payments for specific services."

¹⁷ Amos G. Warner, Stuart A. Queen, and Ernest B. Harper, *American Charities and Social Work* (4th ed.) (New York: Crowell, 1930), pp. 185-89.

¹⁸ Ellen C. Potter, "Developing Standards of Fiscal Administration in Hospitals in Pennsylvania," *Department of Welfare Bulletin* No. 25 (1925), p. 5.

¹⁹ Arlien Johnson, *Public Policy and Private Charities* (Chicago: University of Chicago Press, 1931), pp. 4-5.

In addition a number of safeguards were suggested to control the system: (1) inspection by public authorities of institutions and agencies receiving the subsidies; (2) auditing of accounts; (3) control of admission and discharge of subsidized clients and patients; and (4) setting of a uniform pay rate for care. Finally the authorities usually suggested that public agencies and institutions be developed as rapidly as possible.²⁰

Arguments were, of course, offered in favor of the subsidy system. The most important argument was the practical one of economy. It was stated that where the number of dependent persons was small it was cheaper to have them cared for by an established private institution or agency rather than to create public facilities. Many private institutions and agencies were willing to make low bids for care in order to receive the subsidies, depending upon voluntary gifts for the rest of their funds. This was why most communities started subsidies, especially for the care of the indigent sick. The economy argument was also used when the institutions were operated by religious orders the members of which received no pay.

It was believed by many that private benevolence had a more wholesome influence upon the recipients, especially dependent children. Thorough religious instruction, for example, could be provided. Comments were made about the lofty spirit of self-sacrifice in evidence in private agencies and institutions as compared with the mechanical and statistical approach of public officialdom.

The third argument usually advanced in favor of the subsidy system related to the "blight of partisan politics." The spoils system with its "miserably political jobbery" was an evil that could not be eliminated. The poor defenseless wards of the state, it was claimed, should be shielded from the disgraceful management of public almshouses, asylums, and pauper relief systems. This was an argument that was of particular significance in respect to constructive programs of education and rehabilitation. Those who were qualified to teach the deaf, dumb, and blind, it was claimed, preferred to work for private institutions.

Finally it was believed that the stigma of pauperism could not be eradicated from the administration of public charities. A private home for the aged was considered more respectable than a public almshouse, and the receipt of outdoor relief from a private organization thought to be more respectable and less tainted with pauperizing influences than the receipt of public outdoor relief.

²⁰ Rupert D. Dripps, "The Policy of State Aid to Private Charities," *Proceedings of the National Conference of Charities and Correction*, 1915, p. 471.

At the same time there were numerous objections to the subsidy system. Many people claimed that private institutions and agencies receiving public money were promoting pauperism by disguising it. It was pointed out that the economy argument was false especially because of the duplication of private facilities. There was also objection to subsidies because some believed that they would "dry up the sources of private benevolence."²¹

From the point of view of the development of our public welfare services the subsidy system has been of very doubtful expediency. As a transition policy in an expanding country which placed great reliance upon the virtues of self-reliance and neighborly aid it may have had its place. The subsidy system became so entrenched that we had to wait until the depression for a clear-cut policy in regard to public-private agency relationships. It was with the establishment of the F.E.R.A. in 1933 that such a policy was finally announced. Harry Hopkins, the Administrator, stated it in simple, clear, and complete terms when he declared that public funds would be spent solely by public agencies.

The subsidy system was not a complete blessing to the private agencies. While there is no longer any debate amongst informed people about the merits of public versus private responsibility, the age-old controversy left its scars upon the private agencies as well as the public. Until the days of the depression there were many social workers who were comforted by their belief in the intrinsic superiority of the private agencies. In their minds the total field of social work could be occupationally divided — the superior workers were all in the voluntary services. Now that we have come to that stage in our socio-economic development where nothing in the social work field appears to be inappropriate to government administration, these persons have had to modify their thinking. That they have done so in a fine professional spirit is a tribute to them.

We are still faced in many communities, however, with the problem of the proper demarcation of our public and private social work services. The relative lateness with which some private agencies had to face this problem has caused considerable difficulties in the alignment of public and private agencies.²² The subsidy system, which was the result of the intellectual climate of the times, was responsible, in a large measure, for this modern dilemma.

²¹ Warner, Queen, and Harper, *op. cit.*, pp. 189-95.

²² Dorothy C. Kahn, "Operation Crossroads for Social Work: The Problems of Public and Voluntary Auspices," *The Compass, Journal of the American Association of Social Workers*, Vol. XXVII, No. 5 (June, 1946), pp. 23-25.

Selected Bibliography

- Helen Bosanquet, *Social Work in London, 1869-1912* (London: Murray, 1914).
- Thomas Chalmers, *The Christian and Civic Economy of Large Towns*, abridged and edited by Charles R. Henderson (New York: Scribner, 1900).
- Arlie Johnson, *Public Policy and Private Charities* (Chicago: University of Chicago Press, 1931).
- Sir Charles S. Loch, *Charity Organization* (London: Sonnenschein, 1890).
- Stuart A. Queen, *Social Work in the Light of History* (Philadelphia: Lippincott, 1922).
- Amos G. Warner, *American Charities* (New York: Crowell, 1890).
- Frank D. Watson, *The Charity Organization Movement in the United States* (New York: Macmillan, 1922).

9. The Development of Social Insurance in Europe

SOCIAL INSURANCE AND PUBLIC ASSISTANCE

The development of social insurance has been closely associated with the development of public assistance. Both arose in protest against the inadequacies of the poor laws and both are essential for a well-developed system of social security. Therefore the student of public welfare administration is interested in the history of social insurance in Europe and America.

Social insurance is not as new as might be deduced from recent discussions. Legislation for the economic protection of workers was one of the consequences of modern industrial organization. It is, however, somewhat erroneous to insist that social insurance was brought into being solely because of the industrial revolution. Social insurance had its origin with the mutual aid of the guilds of the Middle Ages. In most European countries at an early date the guilds provided for their sick and unemployed members mutual benefits which were later subsidized and controlled by the state. Still later the state took them over *in toto*.

GERMANY

There are several reasons why Germany was the pioneer in the development of social insurance. After the Franco-Prussian War there was a decided industrial advance in the country, accompanied with the usual waves of good times and bad times. After the unification of the German states and the creation of the German Empire the industrial development of the country proceeded rapidly, with workers becoming dependent upon machines. The social significance of this situation was recognized by the socialists who became increasingly vocal in their demands for social change.

Many persons have ascribed the enactment of the original social insurance laws to the political acumen of Bismarck. The Chancellor, it is claimed, found that his Anti-Socialist Law of 1878 only made the socialists more aggressive. Therefore in order to "steal

their thunder," he suggested to the Reichstag that they enact social insurance legislation. Unfortunately this is an oversimplification and, although it contains certain essential truths, is by no means the complete explanation. It is true that Bismarck was anxious to best the socialists and to reduce them to political impotence, but it is incorrect to assume that he was unmindful of their criticism of *laissez faire* or that he did not have a genuine sympathetic interest in the working-class population. In other words Bismarck's social philosophy must be taken into consideration in any explanation of the origin of social insurance in Germany. Some claim that his social concern for the laboring classes was based upon his Christian concept of the state. He was concerned with the state's responsibilities for the workers and favored state intervention as a check upon rampant individualism.¹

Economically the German social insurance legislation owes its origins to two factors. First, German trade had fallen into unprosperous conditions during the years immediately following the re-establishment of the Empire. When Bismarck proposed his social insurance legislation the German economy was at a low ebb. Second, the serious plight of the working classes caused socialism to spread at an alarming rate. From only 125,000 members in 1872 it increased its numbers to approximately 500,000 five years later. Thus the stage was set for a strong and able personality to introduce a program of economic reform that would grant benefits to the hard-pressed workers and, at the same time, be a bold stroke of political strategy that would effectively minimize the importance of the socialists.

It should be recognized that the German system of social insurance was not the creation of any one man, nor was the system imposed upon a people who were unprepared for it. On the contrary it was the last step in a long historical process in which was blended the struggle of the working people and the legislative policy of the ruling classes, and was based on political principles matured through decades of reflection.² The Prussian law, for example, had recognized very early the obligation and necessity for the employer (master) to care for his employee (servant), especially during periods of disability. The master could be compelled to pay for necessary medical attention for the servant inasmuch as this was legally implied

¹ William H. Dawson, *Bismarck and State Socialism* (London: Sonnenschein, 1891), pp. 23-24.

² Lee K. Frankel and Miles M. Dawson (with the cooperation of Louis L. Dublin), *Workingmen's Insurance in Europe* (New York: Russell Sage Foundation, 1910), p. 90.

in the contract for service. Work accidents caused by negligence were also an economic obligation of the master. This policy was advanced in 1838 when Prussia replaced the above-mentioned law with one that required railroads to provide compensation to their employees, the only exemption being in case the accident was due to the negligence of the injured person or to an act of God. Encouragement was given to the formation of workingmen's mutual benefit societies by laws passed in 1845, 1849, and 1854. The Prussian law of 1838 was expanded in 1871 so that it applied to the entire Empire. This law gave protection not only to railroad workers, but also to workmen in mines, quarries, and factories.¹

Therefore, when on March 8, 1881, Bismarck presented his first social insurance act to the Reichstag, it was not a new or untried program. The Reichstag assented to the principle of obligatory insurance but refused to provide the necessary funds. In 1883 the Reichstag passed a sickness insurance law which went into effect December 1, 1884. This was a compulsory law which applied to all employees in factories, mines, quarries, and other industrial plants whose annual earnings were not in excess of 2000 marks (\$500). It was extended in 1892 to include retail clerks and office workers.

This law did not set up a highly centralized authority; the government, so far as possible, utilized existing agencies. There was no attempt made to centralize the administration as the aim of the law was mutual self-insurance. Miners' societies, guild sick-clubs, and communal societies were authorized as administrative units. Additional organizations, however, were required for those who were not members of any of the mutual societies. There were eight classes of societies, each independent of the others, that were utilized as administrative agents.

The German sickness insurance system was expanded in 1886 to include agricultural and forest workers. Additional amendments were passed in 1892, 1900, and 1903. The Federal Insurance Code was formulated in 1911 and the sickness insurance laws were incorporated into it together with the invalidity insurance laws. Additional amendments were passed until in pre-Hitler Germany the following persons were covered by sickness insurance: laborers, assistants, journeymen, apprentices, and domestic servants; foremen and other salaried employees; actors and musicians; teachers and tutors; health and welfare workers and home workers; and sailors of inland ships. Any of the above-named were included if their income was less than 3600 reichsmarks per year.

¹ *Ibid.*, pp. 91-92.

The insured persons were entitled to care of a physician, necessary medicines, and supplies. In case the worker was incapacitated by illness, a cash allowance equal to one-half his basic wage was paid starting with the fourth day of illness. In general, benefits ceased at the end of the twenty-sixth week.⁴ In addition to the medical benefits as has already been mentioned, the pre-Hitler sickness insurance system provided for the workers cash benefits which were never less than 50 per cent of the worker's basic wage and in some cases were as much as 75 per cent. Cash benefits were payable upon medical certification of "incapacity for work." Additional cash benefits, in excess of statutory requirements, were given also: increase of the cash benefits; extension of the period of disability; and provision of institutional care.

There is, of course, a sound reason for separating the cash benefits from the medical benefits. Cash benefits, in reality, constitute a guarantee of minimum subsistence to the worker because of unemployment due to sickness. Medical benefits, theoretically at least, are for the rehabilitation of the sick worker. A separation of the cash and medical benefits also permits the administration of the medical benefits to be supervised by the medical profession and the administration of the cash benefits by the government. This aspect of health insurance became even more pronounced in England than it was in pre-Hitler Germany.

How was this rather elaborate program of German sickness insurance financed? The chief source of funds was the contributions of employees and employers which varied from 1.5 to 6 per cent of wages depending upon certain wage and industrial classifications. In addition the government provided for the general supervision of the system.⁵ In 1933 there were 18,504,007 workers, slightly more than 60 per cent of the total number of gainfully occupied persons, covered under the German sickness insurance system. As we shall soon see, the percentage of workers covered under the German system was less than the percentage covered under either the Danish or British systems.

Prussia had some state provision for accident insurance as early as 1838. Accident insurance legislation was favored by Bismarck and on July 6, 1884, the Reichstag at his request passed an accident insurance law. This law covered a long list of industrial workers,

⁴ R. Clyde White, *Growth of German Social Insurance* (Bloomington: Indiana University Studies, No. 102, 1933), pp. 11-18.

⁵ L. S. Falk, *Security Against Sickness* (New York: Doubleday, Doran, 1936), pp. 75-91.

and although it was amended a number of times, remained the basic law of pre-Hitler Germany in regard to the compensation of work accidents. Practically all workers whose work was in any way hazardous were covered under the law, although some employers were exempt because their industrial units were too small. These employers, however, were required to assume liability for their employees. In addition a few workers were exempt from the law because they were provided with accident insurance in other ways. In 1933 there were 22,055,161 persons insured against the hazards of work accidents. This was approximately two-thirds of the gainfully occupied persons in Germany.⁸

The Employers' Insurance Association to which the employer belonged provided medical care, vocational rehabilitation, and a pension or a cash allowance for the duration of incapacity. If the worker was out of work less than thirteen weeks he received 50 per cent of his wages, thereafter he received 66.66 per cent. Additional grants were made for dependents. These associations were organized on a district basis and all plants covered by the statute in a given area were members of the same association. Contributions by the employers were paid through the post office on a graduated scale in accordance with the hazardousness of the specific type of work. The Federal Insurance Office had general supervision over the associations and fixed their rates in such a way as to permit reserves to be built up.

Invalidity insurance has a similar history to accident and health insurance. Its philosophical origins can be traced to the Middle Ages. The mining occupations at that time were especially hazardous. The development of steam transportation in the nineteenth century accentuated the problem. Accordingly, the Emperor's message to the Reichstag in 1881 suggested the enactment of an invalidity insurance bill. It was postponed, however, until 1889.

The original bill provided for old-age pensions at the age of seventy (in 1916 the age limit was reduced to sixty-five). In 1900 the system was broadened to include pensions for survivors of insured workers. The classes of workers covered were similar to those covered under the sickness insurance system. A worker was covered if he had been employed for at least 200 weeks and if he had made at least 100 contributions. The amount of his pension was calculated on the basis of the wage class to which he belonged. He was entitled to an old-

⁸ *International Survey of the Social Services*, Studies and Reports Series M (Social Insurance), No. 13 (Geneva: International Labor Office, 1936), pp. 312-17.

age pension upon reaching his sixty-fifth birthday or an invalidity pension because of infirmity. The survivors of deceased workers were also eligible for a pension. The financial resources for old-age and invalidity insurance were the contributions of employers and employees and government subsidies. For each pension actually paid the government allowed an annual subsidy of seventy-two reichsmarks.⁷

Despite the fact that Professor White has labeled unemployment insurance as the capstone of German social insurance⁸ it was not included under the system until 1927. This hesitancy probably was due to the post-war financial difficulties of the government, the opposition of industry to such a measure, and the lukewarm support of organized labor. Nevertheless unemployment insurance was not a completely new idea when it was enacted as a statute; prior to that time unemployment assistance was a common form of relief. Out-of-work donations were given to the unemployed soldiers from one day after the Armistice, November 12, 1918, until 1924. From 1924 until 1927 Germany had experimented with a variety of methods for the relief of the unemployed: relief grants to the localities, direct aid to the unemployed, work projects, and programs for the stabilization of unemployment.

With the stabilization of the currency in 1924 numerous changes occurred in the programs for the relief of the unemployed. Among other things, additional national aid was granted to the localities and at various times emergency relief was given, three-fourths of the cost of which was borne by the central government. An act of 1927 created a compulsory unemployment insurance system for the benefit of all wage earners subject to compulsory health insurance, such as all wage earners receiving less than 3600 reichsmarks per year, all salaried workers insured under invalidity insurance, and the crews of German ships.⁹ Three per cent of the workers' wages were contributed in equal amounts by employers and workers. Due to the excessive impact of unemployment this amount had to be increased until it reached 6½ per cent in 1930. The contributions, as in the

⁷ White, *op. cit.*, pp. 37-46.

⁸ *Ibid.*, p. 47.

⁹ Abraham Epstein, *Insecurity: A Challenge to America* (New York: Harrison Smith & Robert Haas, 1933), p. 374. For a more detailed account of the system see National Industrial Conference Board, *Unemployment Insurance in Germany* (1932); Mollie Ray Carroll, *Unemployment Insurance in Germany* (Washington: Brookings Institution, 1929); and Oscar Weigert, *Administration of Placement and Unemployment Insurance in Germany* (New York: Industrial Relations Counsellors, 1934).

case of the other social insurance systems, were based upon various wage classes.

There were two kinds of benefits established by the act of 1927: regular and emergency. The claimant, in order to be entitled to regular benefits, had to have paid contributions for fifty-two weeks. Only twenty weeks of contributions were necessary for emergency benefits. The duration of benefits varied — it was raised from twenty-six to fifty-two weeks, reduced to twenty weeks in 1931, and further reduced to thirteen weeks in 1932.

The system was administered by an independent public body, the Federal Institute of Employment Exchanges and Unemployment Insurance. Unfortunately, one crisis after another prevented the German government from establishing a stabilized system. The central government was forced, on numerous occasions, to loan funds to the system. Various decrees reduced the scope of the system; for example, the number of beneficiaries was reduced by a means test after six weeks of benefits.¹⁰

It is virtually impossible to secure adequate information about social insurance under the National-Socialist regime in Germany. It is known, however, that there was a complete system of social insurance functioning. The *Führer-prinzip* was, quite naturally, applied to the administration of social insurance by placing a single bureaucrat in charge of the program. One of the political theses of the Third Reich was that unemployment had been abolished, so the unemployment insurance system was, for all practical purposes, a minor program. The rearmament program, the reduction of the number of women workers, and the gearing of the entire economic life to a war economy, lessened the importance of unemployment insurance. Unemployment was, therefore, viewed as temporary.

Effective July 1, 1942, the employers' and insured persons' contributions to the three principal systems of social insurance — health insurance, accident insurance, and unemployment insurance — were calculated on the same basis and collected as a single sum. The principal object of the reform appears to have been a simplification of the clerical and bookkeeping work. After this law went into effect there was only a single wage list to maintain for the purpose of deducting taxes and insurance contributions, and only a single fund from which benefits were paid.¹¹ Since World War II there has not been a unified system of social insurance in Germany. Social in-

¹⁰ Epstein, *op. cit.*, pp. 38 ff.

¹¹ "Social Insurance Reforms in Germany," *International Labour Review*, Vol. XLVII, No. 2 (February, 1943), pp. 248-51.

surance has been re-established in the various occupied zones and the traditional programs, often in modified forms, have been carried on.

Social security is still a well-established institution in Germany. In spite of the numerous political attacks upon social insurance by the Nazis who regarded it as one of the decadent remnants of the Social Democrats it was not discontinued during the Third Reich.¹² In place of social insurance they proposed to substitute peoples' insurance. But even the Nazis found that social insurance was too vital in its political and security aspects to be abolished. It had become a part of the German culture. Social insurance will probably be somewhat dormant during the occupation of Germany by the victorious powers, but it will continue to exist. In the future it will emerge once again as an important social institution.

DENMARK

Denmark had an advanced system of social and protective legislation for workers prior to World War II. Although it is unusual that an agricultural country should have shown so much concern for the urban wage earners Denmark carried social legislation further than any European country. It has even been claimed that there was no poverty at that time in Denmark.¹³

In order to understand social insurance in Denmark, especially its widespread coverage, one must recognize certain fundamental socio-economic aspects of the country. In the first place the population is homogeneous, racially and religiously. There are approximately 3,600,000 people with a total area of 15,586 square miles, about one-twentieth of the area of the state of Texas. Thus the population is relatively dense with 200 per square mile. Approximately 58 per cent live in towns and cities and those in rural areas live on neat, compact little farms, engaging in semi-industrial pursuits such as dairying and cheese-making. Furthermore Denmark is an intensely democratic country which has been described as a cooperative commonwealth.¹⁴ The fact, for instance, that Denmark has had for many

¹² Walter Suizbach, *German Experience with Social Insurance* (New York: National Industrial Conference Board, 1947), pp. 87-92.

¹³ Frederick C. Howe, *Denmark: The Cooperative Way* (New York: Coward-McCann, 1936), pp. 212-13. For a fuller account of the origins of social insurance in Denmark, especially of the influence of the German developments on the Danish programs, see Harold Westergaard, *Economic Development in Denmark* (Oxford: Clarendon Press, 1922), pp. 30-68.

¹⁴ Howe, *op. cit.*, pp. 8-10, 18-21.

years a system of municipal and county hospitals which have served the indigent without cost has made health insurance possible.¹⁵

The pre-World War II health insurance scheme has been of special interest, particularly because of its so-called voluntary aspect. Denmark had the largest percentage of gainfully occupied workers — estimated at 50 per cent of the total population or 65 per cent of the adult population — covered under its health insurance program. This means that between 85 and 90 per cent of those persons eligible for insurance were actually covered.

As in other European countries there were numerous mutual aid societies in Denmark which, among other things, provided sickness benefits to their members. But when the need for an expansion of the system manifested itself the Danes did not follow the German plan of compulsory health insurance. Instead they developed a program of state subsidies and state supervision over the private societies. Thus the basic health insurance law of 1892, which has been expanded on numerous occasions, is referred to as a voluntary health insurance act.

In brief, the government had a system of recognizing or approving those sickness insurance societies which met certain qualifications. The societies had to restrict their membership to specific trades or to geographical areas, had to submit the required reports to the government, and had to admit indigent persons to membership. Thus sickness insurance was not, as in Germany, restricted to gainfully occupied persons; wives of insured workers, farmers, civil service employees, and all persons without means were eligible for membership. There were, however, certain restrictions in regard to income. In rural areas none who earned more than approximately \$750 per year were included, while in and near Copenhagen the maximum annual income for coverage was \$1126. Contributions varied in accordance with the societies, but in 1931 the average contribution was about 5.12 per cent of wages per member. In addition the state and local governments granted subsidies to the more than 1500 funds.

As in Germany the benefits were received through cash and medical care. Cash benefits could be received up to twenty-six consecutive weeks with a maximum grant of \$1.64 per day. The insured person had to be certified for benefits by a physician, but the society had the right to question the physician's decision. Medical benefits were prescribed by statute and included the services of a physician and necessary hospital care. Medical benefits were accorded both to the

¹⁵ Falk, *op. cit.*, p. 243.

insured person and his dependents. The system included maternity benefits, but did not cover funeral expenses of deceased workers.

One of the tests of the adequacy of a health insurance program is the proportionate expenditures for medical care and cash benefits. Originally health insurance was a form of relief for workers who were unemployed due to sickness. The cash benefits at that time were the most important expenditures, but in recent years the remedial and health aspects of the system have received more attention. It is interesting to note that Denmark expended proportionately more than any other country for medical care under health insurance. The medical services constituted 80 per cent of the Danish expenditures, 69 per cent of the German, and 38 per cent of the British.

Denmark had a noncontributory system of old-age pensions. This program perhaps might not be classified as a system of social insurance, but inasmuch as coverage was dependent upon inclusion under the health insurance system and inasmuch as the recipient received his pension without having to prove need through a means test it may properly be so classified. Denmark first established a system of old-age pensions in 1891. Pensions under this act were granted in accordance with need, but the Old-Age Pension Act of 1922 awarded pensions to all those sixty-five and over as a matter of right. In 1937 the age limit was reduced to sixty years. The cost of these pensions was borne partly by the central and partly by the local governments; the central government paid four-sevenths and the local governments three-sevenths. In 1935 about half the population sixty-five and over received pensions.

The country has had, since 1898, a program of accident and invalidity insurance. The system was expanded until by 1933 Denmark had one of the most comprehensive workmen's compensation systems in the world. All employees were forced to carry insurance in companies approved by the Ministry of Social Affairs. Occupational diseases were covered as well as the usual work accidents. In the case of either permanent or partial disability an invalidity pension was granted. Generally speaking the benefits included necessary remedial relief plus a cash benefit of from 50 to 60 per cent of the worker's base pay.

Unemployment insurance in Denmark, like the system of health insurance, is voluntary. For more than thirty years the government has been subsidizing the unemployment benefit societies. Prior to World War II there were more than seventy of these societies, operating largely through trade unions, with a membership of more than 400,000. The funds of the societies came not only from state sub-

sidies but also from contributions by the members and subsidies from the municipalities. When a member of one of these funds became unemployable he was granted a cash award, the size of which depended upon the society to which he belonged. The duration of the award also varied — from ninety to one hundred and fifty days being standard — as well as the length of the waiting period.¹⁶

In 1933 Denmark coordinated the various laws relating to public assistance and social insurance.¹⁷ During the next few years the primary effort was to improve this legislation. In 1937 the age limit for receiving old-age pensions was lowered from sixty-five to sixty years. Legislation was also passed in 1937 to counteract infant mortality which was higher than in other Scandinavian countries. The legislation was concerned with the health of infants less than one year old and with maternity welfare institutions for the entire country. Also public housing was greatly expanded.

These extensions in social legislation led, quite naturally, to a substantial rise in expenditures. In 1938 expenditures for social purposes amounted to 562 million crowns, or 12.2 per cent of the national income, as compared with 254 million crowns in 1932, or 9.8 per cent of the national income. War conditions did not interfere with social legislation. In 1941-1942 social expenditures amounted to 834 million crowns, or 13.9 per cent of the national income. Plans for further progress, however, had to be postponed.

During the war Denmark attempted to maintain social insurance benefits more or less at the pre-war level. Automatic adjustments to prices for old-age and invalidity pensions were kept in force. In unemployment insurance, however, adjustments of benefits in accordance with price changes were not made. Nevertheless unemployment funds were used to grant special children's supplements, and certain special fuel allowances.¹⁸

Since the war Denmark has continued to liberalize its various social insurance programs. For example, in May, 1946, a bill was passed by Parliament which increased the rates of old-age pensions. Voluntary health insurance has become, in reality, mandatory and persons are obliged to join a health insurance society. Disability insurance is likewise compulsory; with certain exceptions all persons

¹⁶ Ben A. Arneson, *The Democratic Monarchies of Scandinavia* (New York: Van Nostrand, 1939), pp. 182-83, 195-96, 198-200.

¹⁷ K. K. Steincke, "The Danish Social Reform Measures," *International Labour Review*, Vol. XXXI, No. 5 (May, 1935), pp. 620-48.

¹⁸ "Danish Social Policy in Wartime," *International Labour Review*, Vol. L, No. 2 (August, 1944), pp. 185-206.

between twenty-one and sixty years of age are covered. Unions have made it obligatory to join unemployment clubs connected with their trade. These clubs have established "continuation clubs" which begin to pay benefits when benefits from the main insurance clubs cease. The duration of the benefits differs in the various clubs, but it is generally about one hundred days and about one hundred and seventy days in the continuation clubs.¹⁹

The various Danish social insurance programs are important to the student of public welfare in a democratic country. Denmark has become a highly democratic country. While it is geographically between the totalitarianism of communist Russia and the democracies of England and America it stands apart from communism; social insurance is one example of this political trend.

ENGLAND

In general the English program of social insurance developed in two ways. The common law, in some instances, was drastically modified so as to cope with the socio-economic problems of an industrial society. This was true in the case of the development of workmen's compensation legislation. Secondly, the German programs were consciously imitated and adapted to the needs of democratic England.

It had become a well-established principle of the common law by the beginning of the nineteenth century that an employer was responsible for the acts of his employees. This doctrine—legally referred to as *respondere superior*—was substantially modified in 1837 when Lord Abinger gave his famous decision in the case of *Priestley v. Fowler*.²⁰ This decision is usually cited as the origin of the common law defenses which employers had against the claims of injured workmen. These defenses were: the fellow-servant doctrine; assumption of risk; and contributory negligence. Thus if an employer in any way could show that the employee's coworkers were responsible for the accident, that the employee was aware of the risks involved when he accepted employment, or that the employee was in some measure responsible for his injury the employee had no case against him.

Lord Abinger's decision was an unfortunate one because it came at

¹⁹ *Denmark 1947* (Copenhagen: Royal Danish Ministry for Foreign Affairs and the Danish Statistical Department, 1947), "Social Conditions," pp. 146-64.

²⁰ 3 Mees & Wels. I (1837).

a period when profound industrial changes were taking place. One of the distinguished American authorities on workmen's compensation says this about the decision: "By 1837, the steam railway had supplanted the horse-drawn vehicle as a means of long distance travel; factories in textile and other industries were flourishing; intricate and high-powered machinery was coming more and more into use and its products were displacing those of individual craftsmen . . . All the analogies set forth in Lord Abinger's opinion were drawn from domestic service, or from trades essentially of the cottage type . . . Therefore, the law which was to be applied by the courts to those employees injured through complicated or dangerous industrial processes was based on instances from an already dying industrial age."²¹

Slowly but surely the English modified the common law regarding liability for work accidents. The Fatal Accidents Act of 1846 made it possible for an action to be brought for the benefit of dependents of those who, if they had not been killed, would have had an action. In 1880 the Liberal government passed the Employers' Liability Act. Although this act had lamentable shortcomings, it did impose upon the employer liability for accidents which caused death or injury because of defects in the employer's plant or equipment. The scope of the act, however, was restricted in 1882 when, in the case of *Griffiths v. Earl of Dudley*, it was held that it was legal for a workman to contract with his employer not to claim benefits under the act. In 1897 a Conservative government passed a Workmen's Compensation Act which removed these restrictions. Under this act employers in specified dangerous industries had liability for work accidents to their employees without regard to negligence on the part of the workers. "Contracting out" had to be in accordance with schemes approved by the Registrar of Friendly Societies.

In 1900 the principle of confining workmen's compensation to dangerous trades was abandoned and by 1906 workmen's compensation benefits had been extended to practically all wage earners. Benefits were increased during World War I and the Workmen's Compensation (Silicosis) Act of 1918 extended the principle to the occupational disease known as fibroid phthisis. In 1927 the private insurance companies who were the "carriers" for workmen's compensation were brought under more diligent government supervision. The

²¹ Walter F. Dodd, *Administration of Workmen's Compensation* (New York: The Commonwealth Fund, 1936), pp. 5-6. See also E. H. Downey, *History of Work-Accident Indemnity in Iowa* (Iowa City: State Historical Society, 1912), pp. 239 ff.

benefits were raised and the scope of the Act extended to all manual workers earning not more than 350 pounds per year. The Act was later further extended, especially in regard to occupational disease coverage.²² An employer was liable to pay compensation for a worker who was injured by an accident "arising out of and in the course of employment." The compensation was prescribed by statute, but it consisted of cash benefits only. There was no distinction made between temporary and permanent injury. Compensation was payable from the fourth day and, if the incapacity lasted for more than four weeks, from the first day of the worker's incapacity. In general, benefits were equal to 50 per cent of the worker's wage. There were, in addition, benefits for survivors and dependents.²³

Health insurance as a specific law came to England via the German experience although the English guilds of the Middle Ages had already provided their members with sick benefits. According to the studies of Professor Lujo Brentano the guilds grew out of the family ideal inasmuch as they functioned as a sort of enlarged family group. It is certain that from their earliest beginnings they provided many important social services including sick benefits to their members.²⁴ Although there may be some connection between the guilds, the trade unions, and the friendly societies, authorities as reputable as Sir Arnold Wilson and Professor Hermann Levy have decided that there is none.²⁵ The important point, however, is that there were definite antecedents for the development of a system of health insurance.

Health insurance originated in England in 1911 when an act was passed by a Liberal government. The original scheme was compulsory for practically all industrial workers who did not earn more than 160 pounds per year. It was financed by contributions from employers and employees and by government subsidies. The con-

²² Percy Cohen, *The British System of Social Insurance* (New York: Columbia University Press, 1933), pp. 196-207.

²³ *International Survey of Social Services, Studies and Reports, Series M (Social Insurance)*, No. 11 (Geneva: International Labor Office, 1933), pp. 16-19.

²⁴ Lujo Brentano, *The History and Development of Guilds and the Origin of Trade-Unions* (London: Trübner, 1870), pp. 1-16. See also George Unwin, *The Guilds and Companies of London* (London: Methuen, 1908), pp. 1-14.

²⁵ Sir Arnold Wilson and Hermann Levy, *Industrial Assurance* (London: Oxford University Press, 1937), p. 5. But cf. Henry W. Chernouy, *The Historical Development of the Labor Question* (New York: Chernouy, 1885), pp. 32-47.

tributions were three pennies a week from the employer and three pennies from the worker. The standard cash benefits were ten shillings per week for men, and seven shillings, six pennies for women. In addition medical benefits consisting of the services of a general practitioner and necessary drugs were granted.

The English system had, from the very beginning, been complicated by the presence of approved societies which were semi-public administrative agents for the handling of cash benefits. The societies were of many types — friendly societies, trade unions, and industrial insurance companies. There were certain requirements that each society had to meet; they had to have control of the funds derived from the contributions of members, they had to distribute additional funds among the members, and they had to operate on a non-profit basis. Strangely enough, several large commercial insurance companies organized societies which presumably met these requirements.

The health insurance system has been substantially modified several times since its original enactment. In 1919 the administrative responsibilities were given to the newly-created Ministry of Health, and manual workers who earned from 160 pounds to 250 pounds were included. In 1920 the contributions and the benefit rates were increased. During the depression years the government was forced to subsidize the system.

Prior to World War II health insurance was administered in a unique but complicated way. When the plan was originally formulated in 1911 approximately one-third of the working population was enrolled in various "friendly societies" and trade union benefit associations. These organizations became the approved societies of which there were in 1940 more than 800 with 6000 branches. They administered the cash benefits which in 1935 were fifteen shillings (\$3.65) per week for men, twelve shillings (\$2.92) for unmarried women, and ten shillings (\$2.43) for married women. Benefits began the fourth day of sickness and, in general, extended for twenty-six weeks. At the end of twenty-six weeks if a worker was not able to return to his job he received a disablement benefit equal to one-half his sickness benefit. Other benefits were maternity benefits and, in some cases, increased cash benefits.

Medical benefits consisted of the services of a general practitioner and necessary drugs. The services of specialists and hospital care were not provided. Nor was care for the dependents of insured persons included under the scheme. The well-known "panel system" enabled the insured person to have complete freedom of choice of

those physicians on the list (panel). The insurance doctors themselves were responsible for the treatment of insured persons in a given area, but any one could refuse to treat patients on the list. The Ministry of Health had certain supervisory responsibilities for the medical practice plan. Cash benefits and medical benefits were administratively separate and medical benefits were supervised by insurance committees, not by the approved societies. This was done at the request of the medical profession and, consequently, health insurance proved to be very popular among the general practitioners.

Another factor which complicated the English system was the additional benefits — benefits not specified by statute, but dependent upon the surplus funds of the various approved societies. These benefits usually took the form of additional cash benefits, dental benefits, or cash benefits for hospital care. In many instances these extra-legal benefits, which were controlled by statute but were not mandatory, were more important than the mandatory benefits.²⁸

In England, as in other countries, the compulsory health insurance system was not perfect. Additional benefits made the scheme uneven in its impact upon the individual workers, benefits were low, dependents were not covered, and medical benefits were restricted to the services of a general practitioner. But, as in other countries, there was no question about the approval of the scheme as such. Its major principles were admitted to be sound by the general public, the insured persons, and the medical profession.

The English had a dual system of old-age pensions. After 1908 grants to certain aged persons were provided through a noncontributory scheme, and after 1925 pensions for widows and orphans were granted under a contributory system. For the noncontributory pensions there were certain tests a claimant had to satisfy; he had to be at least seventy years of age (fifty if blind), he had to have been a citizen for at least ten years, and to have resided in the United Kingdom since the age of fifty if he was a natural-born subject or if naturalized to have been a resident for an aggregate of twenty years. The amount of the pension depended upon the needs of the individual but in no case did it exceed nineteen shillings per week.

The contributory system was, in reality, a part of the health insurance program; the insured were those who contributed under the Health Insurance Act. A single payment represented both health and pension contributions, at a rate for men virtually identical with the health insurance rate; for women it was somewhat less. The benefits were determined by statute and did not depend upon need.

²⁸ Falk, *op. cit.*, pp. 141-73.

A widow received ten shillings per week, payable at the post office. Additional weekly allowances were granted for children, five shillings for the first and three shillings for each additional child under the age of sixteen and in school. The pensions were payable for life or until the widow remarried. At the age of seventy the recipient received a noncontributory pension. A widow of an insured man who was under seventy was eligible to receive ten shillings per week. An orphan whose parents had been insured received a pension of seven shillings, six pennies per week up to the age of fourteen or sixteen if in school.

Inasmuch as workers retired from industry at the age of sixty-five and the noncontributory pensions were payable at seventy the English also had a contributory scheme for those between the ages of sixty-five and seventy. This system, which went into effect in 1925, gave a pension of ten shillings to insured men between sixty-five and seventy and to wives of insured men who were qualified to receive them.²⁷

England was the first country to establish a compulsory system of unemployment insurance. The National Insurance Act of 1911, fostered by Prime Minister Lloyd George, inaugurated a national system of unemployment compensation. It is interesting to note that the motives for the adoption of unemployment insurance in England were different from those which prompted Bismarck to propose health insurance for Germany. Paternalism and the fear of unrest motivated Bismarck, but it was a Liberal government with a philosophy of social responsibility which created unemployment insurance in England. The trade union out-of-work benefits had been recognized as inadequate by both the workers and the general public. The result was the creation of a national system of employment exchanges and a compulsory system of unemployment insurance.

There have been several distinct phases in the history of unemployment insurance in England. The first period (1911-1920) was one of steady adherence to the contractual principle and a period of up-building of resources. Although this stage was an experimental one, it was not a period of marked unemployment. Thus the system could operate in accordance with principles of commercial insurance. During this period contributions were two and one-half pennies per week per worker and benefits were seven pennies on the basis of one week of benefits for every five weeks of contributions with a maximum of fifteen weeks of benefits a year. During World War I the scheme was expanded to include munitions workers and others. Inasmuch as there was little unemployment among these workers

²⁷ Cohen, *op. cit.*, pp. 59-111.

during war-time the funds accumulated until there was a surplus of more than fifteen million pounds at the time of the Armistice.

All this was changed, however, during the first year following the Armistice. A large volume of unemployment accompanied by an increase in the benefit rate without a corresponding increase in contributions was economically disastrous to the system. These problems were augmented by the abnormally high cost of living. In addition practically all the unemployed (with the exception of agricultural workers and domestic servants) were blanketed into the scheme in 1920. In 1921 the coalition government established "extended benefits" which awarded benefits to the unemployed beyond the statutory period. This principle — the very antithesis of insurance — remained for many years and was not removed until 1931. These measures, of course, were taken in order to prevent the unemployed from having to become recipients of poor relief. However commendable the spirit of these changes, economically they resulted in a depletion of the reserves, forcing the government to borrow ten million pounds in 1921. The debt for unemployment insurance was one hundred and fifteen million pounds by March, 1931.

A Royal Commission on Unemployment had been appointed in 1930. Its report, presented in June, 1931, proposed certain economies for the system. Accordingly insurance rates were reduced by 10 per cent and benefits were not to extend for more than twenty-six weeks. Thirty contributions were required for eligibility. In addition "transitional benefits" on a means test basis were provided. This resulted in the passage of a new act in 1935 creating two systems for caring for the unemployed. One was the traditional insurance plan and the other, the second line of defense, was unemployment assistance administered on the basis of need. Thus the second phase of unemployment insurance in Great Britain lasted from 1921-1935.

The third phase was from 1935 to 1946. The passage of the new act of 1935 was a frank admission that unemployment insurance could not insure against the hazards of long-time unemployment. The economic lessons of the 1921-1931 period had been learned and borrowing from the treasury was forbidden. Benefits were returned to the pre-1931 level and more than thirteen million workers were insured under the system. In addition an Unemployment Assistance Board was created which took the administration of transitional benefits out from under the control of the poor law authorities. This scheme covered all who were included under the insurance provisions — that is, all persons sixteen to sixty-five who were in insured trades and were earning less than five pounds per week. The

means test was applicable but it was liberally administered. The scheme was financed by the Exchequer (general revenues) and local funds. Nevertheless it was still referred to as the dole.²⁹

It is particularly significant that England, convinced of the value of social insurance as a means of practicing and preserving democracy, liberalized the various systems during World War II.³⁰ The gearing of the various British systems to a war economy was inevitable, especially when the index of the cost of living rose from 135 to 181 in July, 1940.³¹ Disturbances in the so-called luxury industries caused considerable unemployment, workers in munitions plants were forced to learn new skills, and a heavy burden fell upon the industrial workers who worked longer hours with fewer holidays. The problems of work accidents and disease amongst workers became more aggravated, the problems of old-age remained, and the survivors of deceased workers needed care.³²

By an Act of July 14, 1936, the sickness and disablement benefits under National Health Insurance were increased (effective August 7, 1941) three shillings a week. Coverage was greatly extended so that workers were covered if they earned less than 420 pounds per year. Coverage for Widows', Orphans, and Old-Age Contributory Pensions was similarly increased. Likewise the Unemployment Insurance Act was amended to include a new class, non-manual workers whose income was between 250 and 420 pounds per year. The waiting period was reduced from three to two days and the benefit limit was raised from thirty-five shillings to forty-one shillings per week.³³

SOCIAL INSURANCE FOUND IN ALL WESTERN NATIONS

Social insurance is by no means limited to Germany, Denmark, and England. The principles of social insurance, in some form or

²⁹ For more detailed accounts see: Industrial Relations Counsellors, *An Historical Basis for Unemployment Compensation* (1934); Sir Ronald C. Davison, *British Unemployment Policy Since 1930* (London: Longmans, Green, 1938); Mary E. Gilson, *Unemployment Insurance in Great Britain* (New York: Industrial Relations Counsellors, 1930); Royal Commission on Unemployment Insurance, *Final Report* (London: His Majesty's Stationery Office, 1932).

³⁰ For a discussion of post-World War II developments in social insurance and public assistance in England, see Chapter 3, pp. 52-53.

³¹ "Amendments of the British Unemployment Insurance Law," *Monthly Labor Review*, Vol. 51, No. 3 (September, 1940), p. 633.

³² Emil M. Sunley, "The British Amend Their Social Insurance Acts in Wartime," *Social Service Review*, Vol. XVI, No. 2 (June, 1940), p. 342.

³³ *Monthly Labor Review*, *op. cit.*

another, have been adopted by all western nations. The German, Danish, and English systems were selected not as typical examples, but as countries with systems of especial significance for the American student. The Germans originated social insurance in its modern form, the Danes have demonstrated its applicability to an intensely democratic country, and the English experience, because of the cultural similarities should be of particular importance to Americans.

Selected Bibliography

- Mollie Ray Carroll, *Unemployment Insurance in Germany* (Washington: Brookings Institution, 1929).
 Percy Cohen, *The British System of Social Insurance* (New York: Columbia University Press, 1933).
 Sir Ronald C. Davison, *British Unemployment Policy Since 1930* (London: Longmans, Green, 1938).
 I. S. Falk, *Security Against Sickness* (New York: Doubleday, Doran, 1936).
 Lee K. Frankel and Miles M. Dawson (with the cooperation of Louis L. Dublin), *Workingmen's Insurance in Europe* (New York: Russell Sage Foundation, 1910).
 Mary E. Gilson, *Unemployment Insurance in Great Britain* (New York: Industrial Relations Counsellors, 1930).
 Frederick C. Howe, *Denmark: The Cooperative Way* (New York: Coward-McCann, 1936).
 Walter Sulzbach, *German Experience with Social Insurance* (New York: National Industrial Conference Board, 1947).
 Harold Westergaard, *Economic Development in Denmark* (Oxford: Clarendon Press, 1922).
 R. Clyde White, *Growth of German Social Insurance* (Bloomington: University Studies, No. 102, 1933).
 Sir Arnold Wilson and Hermann Levy, *Industrial Assurance* (London: Oxford University Press, 1937).

10. The Development of Social Insurance in the United States

WORKMEN'S COMPENSATION

Insurance against the hazards of work accidents was the first form of social insurance accepted in the United States. Even in the case of workmen's compensation, however, America lagged behind Europe. America, unlike the European countries, had not developed a system of mutual aid for workmen through friendly societies; industrialization appeared more recently in the new world; and the workers themselves were more interested in their possible future status as *entrepreneurs* than in their present status as workers. Social insurance, therefore, was slow in manifesting itself.

There are several reasons why workmen's compensation was the first form of social insurance to be adopted in America. In the first place, work accidents are notably conspicuous and dramatic events. Their association with the industrial process is self-evident and they arouse an immediate, sympathetic response from the public. In the second place, America had accepted the three common law defenses against the doctrine of *respondet superior* that had developed in England. When England substituted a system of workmen's compensation for the fellow-servant doctrine, assumption of risk, and contributory negligence the way was cleared for a similar move in America.

Of greater importance, however, was the fact that America had reached her industrial majority by the beginning of the twentieth century. The American economy had undergone a tremendous face-lifting during the last half of the nineteenth century. Industrial pursuits had superseded an agricultural economy. The frontier was vanishing and a renewed interest had developed in natural and human conservation. The industrialization of America brought forth many socio-economic problems, including industrial accidents. A great reform movement arose to combat these social ills and it was in this milieu that workmen's compensation legislation developed.

Workmen's compensation is a form of social insurance whereby

a worker who is injured during the course and in the scope of his employment receives specified cash and remedial benefits without having to prove that his employer was at fault. Thus workmen's compensation substituted a system of social insurance for a court trial and emphasized the social aspect of work accidents — that they are unforeseen events, occurring without fault on the part of the laborer.

Workmen's compensation legislation, however, was not completely new; many states had provided, between 1885 and 1910, a form of legal protection to workers known as employers' liability acts.¹ These acts which were universally criticized merely modified the fellow-servant doctrine and were usually applicable to railroad companies only. Neither the workers, nor the public, nor the insurance companies seemed to be satisfied with them. The workers' chief complaint was that the damages awarded were seldom sufficient to cover the loss sustained, for the courts generally made the awards on the basis of the injury rather than on the basis of remedial need. The laws were administered by the courts which meant that the worker had to bear court costs and attorneys' fees. In addition there was no program for accident prevention. In the final analysis the worker alone sustained the loss.

The workmen's compensation movement was originally developed by a group of intellectuals who, in their day, were known as radicals and "professorial socialists." They collected a mass of evidence and wrote a number of books favoring compulsory insurance against the hazards of work accidents. A special report by Dr. John Graham Brooks was published by the Department of Labor in 1893. Private research foundations, such as the Russell Sage Foundation, collected evidence on work accidents. The American Association for Labor Legislation drafted a Standard Bill and actively engaged in the campaign.

The result was that a number of state legislatures appointed commissions to study the problem. These commissions did the usual work of such bodies of inquiry; they conducted public hearings and compiled quantities of factual data on employment conditions, the incidence of work accidents, and the inadequacies of voluntary insurance. Massachusetts was one of the first to report (1903) and it established a pattern which was accepted by other states when it favored the adoption of workmen's compensation legislation.²

¹ Walter F. Dodd, *The Administration of Workmen's Compensation* (New York: The Commonwealth Fund, 1936), Chap. I.

² Durand H. Van Doran, *Workmen's Compensation and Insurance* (New York: Moffat, Yard, 1918), p. 348.

The reports of these state commissions fell on fertile soil. Seldom has a reform been so eagerly received as were the principles of workmen's compensation. The American Federation of Labor, despite its fear of governmental paternalism, gave its official approval. Even the National Association of Manufacturers at its Fifteenth Annual Convention recommended that its members "inaugurate with the least possible delay voluntary contributory industrial accident indemnity insurance." The insurance companies were ready for reform and favored the substitution of workmen's compensation for employers' liability. Perhaps the most inarticulate group concerned with the problem was the medical profession. In fact their only activity was a report in 1915 by the Judicial Council of the American Medical Association³ which was concerned with comparatively minor legal technicalities.

It was unfortunate that because of the intense popular interest in workmen's compensation, statutes were passed with little debate and without attention to some of the important administrative problems. As Dr. E. H. Downey in his classic study⁴ says, "seldom has a legislative movement of equal social significance spread more rapidly." States dutifully copied the statutes enacted by other states and, as we shall soon see, because of their lack of farsightedness and legislative daring the majority of the states are now saddled with inadequate elective systems.

The first compensation act successfully to pass the test of constitutionality was the federal act of 1908. A New York act of 1910 was declared unconstitutional by the state's highest court, because as a compulsory system⁵ it deprived persons of "life, liberty, or property without due process of law." The New York legislature then passed an elective system which was promptly declared constitutional. This decision had profound influence upon the entire movement since other states, in order to avoid constitutional questions, passed elective systems. In 1917 the United States Supreme Court in the case of *Washington v. Mountain Timber Co.* declared the compulsory sys-

³ *Medical Relations Under Workmen's Compensation* (Chicago: Bureau of Medical Economics of the American Medical Association, 1935), p. 18.

⁴ E. H. Downey, *Workmen's Compensation* (New York: Macmillan, 1924), p. 145.

⁵ A compulsory act requires that the employer insure for workmen's compensation. An elective system, on the other hand, permits the employer to insure or to stand court trial without the three common law defenses. The elective system has often been used as a club by employers. That is, those insured can always threaten to elect out of compensation if the benefits are increased.

tem to be constitutional. In the meantime, however, practically every state had passed a compensation law of the elective type.

Between 1908 and 1911 ten states had enacted compensation acts and by 1920, the end of the "Golden Era of Social Legislation," forty-two states had such laws.⁶ Mississippi was the last state to pass a workmen's compensation law, in 1946.

Workmen's compensation is administered by the states without the supervision or financial participation of the federal government. There is naturally wide variation in the different acts; for example, the scope of coverage varies from an inclusion of 20 per cent of the gainfully occupied workers to 99.8 per cent. Most of the statutes apply only to designated "hazardous" occupations, excluding agricultural and domestic employment. Medical attention under the various schemes varies, but it is often provided at the expense of the employer who shifts the burden to a commercial insurance carrier. Benefits are usually calculated on the basis of 50 to 66⅔ per cent of wages, with specific weekly maximum grants (usually twenty dollars). An independent state commission is usually the administrative agent and it frequently suffers from a partisan staff, rapid turnover of personnel, and inadequate appropriations.⁷

There are numerous defects in the various compensation systems. In the first place there is no uniformity of coverage or administrative structure from state to state. This may have some advantage inasmuch as the United States is a large country with pronounced regional differentials, but compensation statutes have not been concerned with such differentials. Rather they have been influenced by such things as pressure groups and the fear of economic competition from neighboring states. In the second place the benefits are low. A waiting period (seven to twenty-one days) is aimed at stopping malingering but it actually means that most accidents occur without compensation. Insufficient medical care does not provide the workers with the remedial relief they should have. Another serious defect is the pressure of commercial insurance companies who desire a profit from social insurance. It has been estimated that the insurance companies receive forty-two cents of every dollar spent for workmen's compensation, the employee receives twenty cents for medical care and thirty-eight cents for cash benefits.

Even the casual observer would agree that the purpose of workmen's compensation should be to provide adequate remedial and eco-

⁶ John R. Commons and John B. Andrews, *Principles of Labor Legislation* (New York: Harper, 1927), p. 439.

⁷ Commons and Andrews, *op. cit.*, p. 7.

nomic care to the injured workmen. This is an ideal that is far from being realized under the various state systems. It has been reliably estimated that 70 per cent of all work accidents cause disability of less than seven days duration, and an additional 12 per cent of the workers who are injured recover in less than two weeks.⁸ In other words, a two weeks waiting period (which is standard) eliminates 82 per cent of all work accidents from the scope of the law.

Another aspect of the administration which may be criticized is the prevention and rehabilitation phases. Originally workmen's compensation was concerned with accident prevention. A "Safety First" campaign which emphasized proper devices for the prevention of accidents was launched, but it soon lost its glamour. Programs of vocational rehabilitation have been lamentably weak and, in many cases, the industrial commissions have been blissfully unaware of such services within their states. Today we find increased accident rates caused by the speed-up in industry and man's imperfect adaptation to his mechanical milieu, but comparatively little acceleration in accident prevention and vocational rehabilitation.

The various statutes are seriously deficient in providing adequate coverage for occupational diseases. If one accepts the fact that "an industrial hazard may be defined as any condition or manner of work that is unnatural to the physiology of the human being so engaged,"⁹ he must logically classify occupational diseases as work accidents. The state courts, however, generally have not agreed with this. The word *accident* has been subjected to a metaphysical interpretation by most courts to the detriment of the injured worker. In general, accidents are not considered as accidental unless they are fortuitous occurrences with violent and discernible onsets. This means that a hernia, for example, must have a definite onset associated with the employee's work if it is to be compensable. Silicosis and other forms of industrial tuberculosis are thus excluded from the scope of workmen's compensation.

There are two ways in which states have included occupational diseases as compensable work accidents. The first is the blanket method which was originally adopted by Massachusetts. The law of this state has been interpreted so as to classify occupational disease as an injury arising out of employment. Fortunately such a decision permits an unlimited extension of the concept of occupational dis-

⁸ *Medical Aspects of Workmen's Compensation* (New York: Public Health Committee of the New York Academy of Medicine, 1921), pp. 766-80.

⁹ Emery R. Hayhurst, "Occupational Diseases," *Monthly Labor Review*, Vol. 29, No. 1 (January, 1929), p. 49.

ease. California, North Dakota, Wisconsin, and Connecticut have blanket coverage. The second method is schedule coverage, that is the listing of specific industrial diseases as compensable. New York was the first state to adopt this plan (1920) and it has since been adopted in Illinois, Ohio, Minnesota, and New Jersey. The vast majority of the states, however, have no provision whatsoever relating to occupational disease coverage.

In reviewing the history of workmen's compensation in the United States one is struck with the fact that it has been primarily a socio-economic problem. It has enunciated what might be called an economic principle of social responsibility, that is it has been an effort to spread the high costs of industrial injuries and to mitigate certain hazards. Since 1911 we have accepted the fact that the high costs of work accidents could no longer be borne by the worker alone.

Workmen's compensation was America's first form of social insurance; indeed, for more than a quarter of a century it was the only form of social insurance. As a pioneer in the field it enunciated the theory of social responsibility. Unfortunately the administrative pattern set several precedents which have had unhappy consequences in the administration of subsequent programs.

WISCONSIN UNEMPLOYMENT COMPENSATION LAW

Although the first unemployment insurance bill was proposed to the Massachusetts legislature in 1916, Wisconsin, "the laboratory of radical experimentation," passed the first act in 1932. Unemployment insurance was not an unexpected innovation for Wisconsin, for its traditions, customs, and legislative environment were conducive to such action. Wisconsin has a long and honorable history of legislative experimentation in factory inspection, public regulation of services "clothed with the public interest," and labor legislation. Industrialists had become accustomed to state regulation and, to some extent, were sympathetic towards progressive legislation. Other factors which paved the way for the passage of unemployment insurance were the distinguished public service in behalf of labor legislation on the part of members of the University of Wisconsin faculty, especially Professor John R. Commons of the Economics Department, and the tradition of efficient administration of state affairs.¹⁰

¹⁰ Walter Matschek, *Unemployment Compensation Administration in Wisconsin and New Hampshire* (Chicago: Public Administration Service, 1936), p. 1. See also Edwin E. Witte, "Development of Unemployment Compensation," *The Yale Law Journal*, Vol. 55, No. 1 (December, 1946), pp. 21-52.

The movement for an unemployment insurance law in Wisconsin started in 1921 when the Commons Bill was introduced into the legislature by State Senator Huber.¹¹ This bill was patterned upon the workmen's compensation law of which Professor Commons had likewise been the author. Its most distinctive aspect was that, unlike European systems, contributions were to be paid solely by employers. The economic theory of the law was based upon Professor Commons' belief that industry should be penalized for what he considered to be the chief cause of unemployment, overexpansion of credit in boom times. Thus he assumed that the risks of unemployment are comparable to those of work accidents and that both are a part of overhead. This implies that the costs of work accidents and the costs of unemployment should be absorbed by industry. Such a theory may be applicable in the case of work accidents, but at the present time it is certainly not true of the risks of unemployment which are, strictly speaking, not predictable and obviously not a part of the overhead of business. The original Commons Bill was defeated in the State Senate by a vote of nineteen to ten.

Similar bills were introduced in 1923, 1925, and in 1929. In August, 1930, the first voluntary unemployment insurance plan was put into effect by three Fond du Lac industries, the Demountable Typewriter Company, the Sanitary Refrigerator Company, and the Northern Casket Company. In general these were schemes for stabilizing employment by guaranteeing steady work or cash payments in case of unemployment. The benefits were 65 per cent of wages. In November, 1931, the J. I. Case Company of Racine instituted an unemployment insurance and savings plan, setting up an individual reserve fund for each employee. The fund for the payment of benefits was assured by the deduction of 5 per cent from the employees' wages — this contribution was matched by the company.

In the meantime Professor Commons had changed some of his ideas in regard to unemployment insurance. He gave up the idea of controlling unemployment by penalizing overexpansion and publicly announced that each employer should set up his own reserve against the hazards of unemployment. Accordingly, the Commons Bill was recast by Elizabeth Brandeis and Paul A. Raushenbush, also members of the Wisconsin economics faculty. Their bill was introduced by State Assemblyman, Harold N. Groves, Professor of Economics at Wisconsin. The Groves Bill departed from the original Commons Bill not only in substituting *reserves for insurance*, but also in limiting the liability of each employer. Two other bills were in-

¹¹ It has, therefore, often been referred to as the Huber Bill.

roduced during 1931, but like the ill-fated Groves Bill none was passed.

Albeit the handwriting was on the wall and the Wisconsin Manufacturers Association was forced to take action. At their annual convention in Milwaukee November 17, 1931, they endorsed voluntary unemployment insurance. The activities of the various opponents of compulsory unemployment insurance resulted in the passage of the Groves Bill in a modified form.

The bill as passed established a compulsory state system of unemployment reserves. Any employer, however, could become exempted if he guaranteed annual employment to those employees who would be eligible for benefits or if he adopted an approved voluntary unemployment compensation scheme. In general, employees who earned less than \$1500 per year were covered. Excluded were farm laborers, domestic servants, casual workers, state and municipal employees, railroad workers, logging workers, and those who worked for employers with less than ten employees. A tax of 2 per cent of wages up to \$3000 per year provided the benefit funds and an additional tax of .2 per cent was for administrative expenses. Benefits were ten dollars per week for ten weeks with a two weeks waiting period. The contributions made through each employer were kept in a separate fund or account and the Wisconsin plan thus became known as the "individual plant reserve" system.¹²

Inasmuch as employment and unemployment are national problems with little or no respect for state boundary lines it is to be expected that state action would be limited. In the first place, the states were confronted with the threatened removal of industries from the states because of the taxes imposed. A tax of 2 per cent or more on gross payrolls is a relatively large tax and many industries threatened to migrate and some actually may have migrated to other states to avoid the taxes. Secondly, many states were not financially or industrially equipped to administer such an undertaking. It is remarkable that Wisconsin passed such a law before the enactment of the federal Social Security Act in 1935. The Wisconsin act, to be sure, was the result of innumerable political compromises, but it was an important milestone in the history of social insurance.

With the passage of the Social Security Act the Wisconsin act was modified in order to meet certain federal requirements, but its main

¹² Roger S. Hoar, *Unemployment Insurance in Wisconsin* (South Milwaukee: Stuart Press, 1932), pp. 1-19. For a critique of the act see Walter A. Morton, "Unemployment Insurance and the Wisconsin Act," *American Economic Review*, Vol. XXIII, No. 3 (September, 1933), pp. 395-412.

features have continued unaltered. Contributions, for example, were increased from 2 to 2.7 per cent in conformity with federal requirements. The benefit schedule was changed so that grants became 50 per cent of wages with a five-dollar minimum and a fifteen-dollar weekly maximum payment. The duration of benefits became fourteen to twenty weeks in any period of fifty-two weeks, with a two weeks waiting period. The federal act in deference to the Wisconsin system is so worded as to permit states to maintain individual plant reserves. Inasmuch as Wisconsin has continued, under federal supervision, to have such a system, the fundamental principles of the old law have been continued.

FEDERAL SOCIAL SECURITY ACT

The Wisconsin Unemployment Compensation Act generated considerable interest among the states. Governor Franklin D. Roosevelt of New York called a conference which met in Albany during 1932 and endorsed the Wisconsin plan of individual plant reserves. A great many unemployment insurance advocates, however, favored a pooled state fund rather than individual plant reserves. The Ohio Commission of 1932-1933 affirmed this belief.¹³ A bill embodying this proposal was introduced in the Ohio legislature, but it did not pass.

The depression had forced the general public to take an interest in the problems of unemployment and old-age insurance. In February, 1934, Senator Wagner of New York introduced a bill designed to assist the states in passing unemployment insurance laws. The President did not push the bill, but in June, 1934, he announced his intention of creating a Committee on Economic Security. The committee was set up by executive order and consisted of the Secretary of the Treasury, the Attorney General, the Federal Emergency Relief Administrator, and the Secretary of Labor, as chairman. Dr. Edwin E. Witte of the Department of Economics, University of Wisconsin, was selected as Executive Director and the committee set to work to formulate recommendations for Congress, which was to meet in January, 1935.¹⁴

The committee released its report ¹⁵ on January 15, 1935, and two days later identical bills based upon the report were introduced by

¹³ *Report of the Ohio Commission on Unemployment Insurance 1932-33*, 2 vols.

¹⁴ Paul H. Douglas, *Social Security in the United States* (New York: McGraw-Hill, 1936), pp. 25-27.

¹⁵ *Report to the President of the Committee on Economic Security and Supplement to the Report to the President of the Committee on Economic Security* (Washington: Government Printing Office, 1935).

Senator Wagner of New York, and Representative Lewis of Maryland and Representative Doughton of North Carolina. The Social Security Act, as passed August 14, 1935, is an omnibus bill. It is one act only in that it was enacted as a single piece of legislation. Its various subdivisions have one thing in common: all parts of it deal with various systems of economic protection for American workers. Like all Gaul it is divided into three parts: (1) public assistance, (2) social insurance, and (3) health and welfare measures. The public assistance provisions of the Act make federal grants-in-aid available to the states for old-age assistance, aid to dependent children, and aid to the needy blind. Two systems of social insurance were established by its provisions — old-age and survivors' insurance¹⁶ and unemployment compensation. Grants to the states for maternal and child health work, the care of crippled children, the care of neglected children in rural areas, vocational rehabilitation programs, and public health services can be grouped together as health and welfare services. As students of social insurance we shall be concerned with only one of its three main subdivisions, the two insurance programs.

As Professor Paul H. Douglas has remarked, the Act was "the result of a very sharp change in public opinion."¹⁷ Prior to the depression a great many, probably the majority of American citizens believed that the working-class people could, if so motivated, provide for their own old age. Unemployment was, in the main, voluntary, and that which was not, it was argued, could be remedied by schemes for the stabilization of wages. Social insurance and public assistance were pictured as debasing British doles, to be avoided at all costs. "The matter of the dole," reported one observer, "is one of the most serious social problems in England . . . This 'dole disease,' as it is called, has become an epidemic. It is undermining the character of the working people, without adding to their contentment. It is stopping the habit of saving, and turning tens of thousands into professional idlers . . ." It was obvious to most Americans of the 1920's that the English dole had failed. The same writer, for example, reported that "in every respect the dole has failed; and the present predicament of England is a lesson to all the world. Instead of allaying discontent, it has proved to be a wedge of communism."¹⁸

¹⁶ No state had enacted an old-age insurance law before the passage of the federal Social Security Act. A number of states, however, had ineffective old-age assistance laws.

¹⁷ Douglas, *op. cit.*, p. 3.

¹⁸ Herbert N. Casson, "The Dead Heads of the Dole in England" in Allen B. Forsberg (Ed.), *Selected Articles on Unemployment Insurance* (New York: Wilson, 1926), pp. 251-52.

Thus social insurance was pictured as an ugly foreign *ism*, a combination of the worst of Russian communism and Prussian regimentation. It was claimed that all countries that had adopted social insurance, especially England, regretted it. "The most discouraging, distressing and altogether depressing feature of life for the wage-earner of Europe today is the state dole for the unemployed — *the pittance given by the state* to its helpless paupers," reported Samuel Gompers, President of the American Federation of Labor. "May America," he added, "never find itself either driven or deceived into adoption of such a system."¹⁹

Why then such a comparatively sudden change? It is true that there was some opposition to the principles of social insurance at the time when the old-age and survivors' insurance and unemployment compensation provisions of the Social Security Act were being publicly discussed. However there were only a few opponents who appeared before the House Committee which sponsored hearings on the bill. The National Association of Manufacturers voiced its complete opposition to social insurance. Other organizations, such as the United States Chamber of Commerce, did not attack the principles of social insurance, but merely suggested that their enactment be postponed until business conditions had improved.

CASH SICKNESS INSURANCE ACT IN RHODE ISLAND

Health insurance, as we have noted from its development in Europe, provides two kinds of benefits: (1) cash benefits to compensate for the economic loss due to unemployment caused by sickness, and (2) medical benefits for the physical rehabilitation of the worker. An important beginning in the field of health insurance was made on April 29, 1942, when Rhode Island passed a law providing unemployment benefits to specified sick workers. The law does not provide medical benefits and, therefore, it is not a complete health insurance system. But inasmuch as it does provide cash benefits for unemployment due to sickness it is an important pioneer law.

Administratively the Rhode Island cash sickness insurance program is an integral part of the state's unemployment compensation system. It is administered under the already existing state unemployment compensation board. A worker who is sick — that is, unable to work because of an impaired physical or mental condition and is thus not fitted to work for wages — applies for sickness compensation in the same way that he would apply for unemploy-

¹⁹ Samuel Gompers, "No State Dole for America," *Ibid.*, p. 370.

ment compensation. There is a waiting period of one week during which no benefits are paid and the grants are calculated in the same way as unemployment compensation with a maximum award of eighteen dollars per week.

The system is financed by contributions made by employees through their employers. The contribution rate is 1 per cent of wages up to \$3000 per year which is deductible from the employee's present $1\frac{1}{2}$ per cent unemployment compensation contribution.

The Rhode Island Cash Sickness Insurance Act is not, in reality, a system of health insurance. Nevertheless, as the *American Labor Legislation Review*²⁰ comments, it "obviously leaves the door open for future legislation transferring the remainder of the worker's contribution to health insurance where it belongs, and for an appropriate employer's contribution with further desirable extension of medical care to round out a complete health insurance system."

CASH SICKNESS INSURANCE ACT IN CALIFORNIA

Disability, or cash sickness insurance, provisions became effective in California May 21, 1946. Benefits and payments started December 1, 1946. As in Rhode Island the plan was established as a part of the system of unemployment compensation with both laws administered by the same agency. Under the California plan wage-earner contributions of 1 per cent of covered wages were shifted on May 21, 1946, from the unemployment compensation fund to the disability fund.

The most distinctive feature of the California program is its provision for a state supervised system of private plans which are operated in addition to the state plan. Thus there are no gaps — all workers are automatically covered under the state plan if they have not elected a private plan. The private plans are generally financed not only from the 1 per cent contribution from workers, but also by extra contributions from employers.

The private plans — as a substitute for the state plan — are approved by the state agency only under certain conditions. The most important condition is that the private plan must be more favorable to the workers it covers than the state plan. Another condition is that the private plan will apply to workers only if they elect it, rather than the state plan.

In October, 1947, it was reported that about 25 per cent of the

²⁰ "Pioneer Health Insurance Law Adopted by Rhode Island," *American Labor Legislation Review*, Vol. XXII, No. 1 (January, 1942), p. 57.

workers covered by the California Unemployment Compensation Act were protected by various private disability plans; the remaining 75 per cent are covered by the state plan. It is expected that, as time goes on, a larger portion of covered workers will be protected by private plans, but it does not seem likely that more than half will ever be so covered. The chief reason for this is that the California law attempts to prevent the private plans from eliminating bad risks. The state agency requires that each private insurance carrier insure some bad as well as good risks. There are, for example, specific requirements in regard to the proportion of women insured, age distributions, and relative wage levels.

Any worker covered by the State Unemployment Compensation Act who is unemployed because of a disability may receive benefits, that is, if he meets the eligibility requirements. The law defines a disability as any physical or mental illness or injury which prevents an individual from performing his regular or customary work. Specifically excluded, however, are disabilities connected with pregnancy, and up to four weeks after its termination.

To secure benefits an unemployed worker must: (1) file a claim in accordance with regulations; (2) serve a seven-day waiting period in each uninterrupted period of disability; (3) have earned the same qualifying amount in his base pay as for unemployment compensation; (4) submit to a physical examination when required; and (5) file a medical certificate.

The maximum benefit under the California plan is twenty-five dollars per week for a maximum of twenty-six weeks. Claimants who receive both disability and unemployment insurance in the same benefit year are limited to a maximum benefit of one and one-half times the separate maximum for either type of benefit.²¹

There has been considerable interest in cash sickness insurance plans in other states although there is much controversy²² over how the plans should be operated. On October 22, 1943, a "Resolution as to Temporary Disability Benefits" was adopted by the Interstate Conference of Employment Security Agencies. They resolved "that any such program of temporary disability benefits should be

²¹ *Sick-Pay Benefit Legislation* (Report of the Committee on Related Programs of the Interstate Conference of Employment Security Agencies, October 1, 1947), Part V, pp. 1-6.

²² For an example of the controversy one state that considered such a plan experienced see Carl Ek, *Cash Sickness Benefits for New Jersey Workers* (A series of articles reprinted from *The Herald-News* of Passaic, New Jersey, July 14-25, 1947, by the Promotion Department of the paper).

established and operated on a state basis rather than a national basis, and be integrated with the Unemployment Compensation Program in the several states."²³

NEW JERSEY TEMPORARY DISABILITY BENEFITS LAW

New Jersey became the third state to pass a cash sickness insurance act. On June 1, 1948, the Unemployment Compensation Law was amended to include a Temporary Disability Benefits Law.²⁴

As in California the New Jersey law establishes an optional system, that is employers may elect to cover their employees through either a state fund or a private plan. Under the state plan a State Disability Fund was set up by a transfer of \$50,000,000 from the Federal Unemployment Trust Fund.²⁵ Between June 1 and December 31, 1948, employees contributed $\frac{3}{4}$ of 1 per cent of taxable wages (first \$3000 annually); and after December 31, 1948, both employers and employees each contribute $\frac{3}{4}$ of 1 per cent. Experience rating, however, may vary the tax from $\frac{1}{10}$ of 1 per cent to $\frac{3}{4}$ of 1 per cent from the employer.

Any employer who is covered may, if he chooses, insure under a private plan that is approved by the state administration. Private plans may be provided by employers in the following ways: (1) as a self-insurer, (2) by an agreement between the employer and a union or association, or (3) by insurance contract. These plans must be submitted in detail to the State Unemployment Compensation Commission, the state administrative authority. If employees are required to contribute any amount an affirmative vote of more than 50 per cent of the employees in the plan is required.

The exact amount of an individual's earnings in covered employment required for eligibility is determined by a formula of thirty times the weekly benefit amount. An individual is not eligible for benefits during the first seven days of illness or for any period of time when he is not under a physician's care. Benefits are not payable for disability arising from pregnancy or complications thereof, or from disability due to self-inflicted injuries or injuries received during the commission of a crime, or for any period during which work is done for profit, or for any period during which a worker would be disqualified for unemployment compensation benefits because of a labor dispute.

²³ The resolution is reproduced in *Sick-Pay Benefit Legislation*, op. cit., Appendix L.

²⁴ *New Jersey Statutes*, Chaps. 109, 110 of the Laws of 1948.

²⁵ Pursuant to the terms of the Knowland Act passed by Congress in 1946.

Weekly benefits are calculated by dividing by twenty-two the high quarter of earnings in the base period, with a minimum of \$9.00 and a maximum of \$22.00. Maximum total benefits are either twenty-six times the weekly benefit amount or one-third of the total wages in the base period, whichever is the lesser. The statutory minimum is ten times the workers weekly benefit amount ²⁵

SIGNIFICANCE OF SOCIAL INSURANCE DEVELOPMENTS IN PUBLIC ASSISTANCE ADMINISTRATION

In the early years of social security in the United States there were comparatively few recipients of old-age and survivors' insurance and unemployment compensation. It was necessary for contributions to accumulate. Hence, the major burdens had to be assumed by the public assistance programs. As the social insurance programs matured it was anticipated that the number of insurance beneficiaries would increase and the number of assistance recipients would decrease. This has happened, but only to a limited extent.

During March, 1948, there were 2,345,136 old-age assistance recipients ²⁷ and only 753,041 persons receiving primary old-age and survivors' insurance benefits.²⁸ The coverage for old-age and survivors' insurance is still limited to industrial workers and excludes agricultural laborers, domestic workers, the self-employed, the employees of non-profit organizations, and government workers.

In the industrialized states with large urban centers there are proportionately more recipients of old-age and survivors' insurance. During December, 1947, there were eight states where there were more recipients of old-age and survivors' insurance than there were recipients of old-age assistance and there were five states in which there were more child beneficiaries under old-age and survivors' insurance than there were children receiving aid to dependent children. It is significant that of the ten states with the lowest recipient rate for old-age assistance, nine of them were in states in which there were more old-age and survivors' beneficiaries than old-age assistance recipients. On the other hand, fourteen of the sixteen states with the highest old-age assistance rate were agricultural states where the

²⁵ *New Jersey Temporary Disability Benefits Law and Unemployment Compensation Changes* (Newark: New Jersey Chamber of Commerce, 1948).

²⁷ *Social Security Bulletin*, Vol. 11, No. 5 (May, 1948), Table 2, p. 40.

²⁸ *Ibid.*, Table 1, p. 38. In addition 231,587 wives, 265,302 widows, and 7915 parents received benefits under old-age and survivors' insurance during March, 1948.

number of old-age and survivors' insurance beneficiaries was less than one-third the number of old-age assistance recipients.²⁰

The social insurances have not yet become the primary social security programs in America.²¹ This is to be noted particularly in regard to old-age security. Old-age and survivors' insurance is the least adequate of all our social security programs; not merely in regard to coverage, but also in regard to benefits. Old-age and survivors' insurance benefits were not much more than twenty-six dollars per month in 1947 while old-age assistance grants during the same period averaged more than thirty-six dollars per month.

There are many needed changes in old-age and survivors' insurance. In the first place, coverage should be extended to include nearly all gainfully occupied persons. In the second place, permanently and totally disabled persons even if less than sixty-five years of age should be entitled to benefits. In the third place, benefits should be increased to match the rise in the cost of living.²²

Nevertheless, old-age and survivors' insurance will undoubtedly be expanded and liberalized in the near future. It is also probable that unemployment compensation will be expanded to cover dependents in addition to individual wage earners. Also it is probable that additional states will adopt cash sickness laws and that eventually the federal government will operate a national health program.²³ These developments will mean that public assistance programs will then become secondary programs that will supplement the primary social insurance programs.

²⁰ J. Sheldon Turner, "Public Assistance in 1948," *Proceedings of the Institute for County Welfare Directors and the Institute for Social Case Workers* (Madison: University of Wisconsin Extension Division, 1948).

²¹ There are some persons who believe that social security should be administered exclusively on a needs basis. Lewis Meriam in his study *Relief and Social Security* (Brookings Institution, Washington, D.C., 1946) concludes that the social security system should be made over into a relief program, with the majority of the funds to be raised by a tax on wages and salaries. It is doubtful if even a conservative Congress would be forced this far to the right.

²² Edwin E. Witte, "Social Security" in *Saving American Capitalism* (edited by Seymour E. Harris) (New York: Knopf, 1948) pp. 309-17.

²³ For a comprehensive account of various proposals for expanding social security see Edwin E. Witte, "1944-1945 Programs for Postwar Social Security and Medical Care," *The Review of Economic Statistics*, Vol. XXVII, No. 4 (November, 1945), pp. 171-88. Of particular significance is the National Resources Planning Board Report (*Security, Work, and Relief Policies*, Document No. 128, Part 3, 78th Congress, 1st Session, 1942) which presents the factual basis for social security expansion and the Wagner-Murray-Dingell Bill (S. 1161, 78th Congress, 1st Session), a comprehensive plan for the expansion and extension of social security.

Selected Bibliography

- John R. Commons and John B. Andrews, *Principles of Labor Legislation* (New York: Harper, 1927).
- Walter F. Dodd, *The Administration of Workmen's Compensation* (New York: The Commonwealth Fund, 1936).
- Paul H. Douglas, *Social Security in the United States* (New York: McGraw-Hill, 1936).
- E. H. Downey, *Workmen's Compensation* (New York: Macmillan, 1924).
- Allen B. Forsberg (Ed.), *Selected Articles on Unemployment Insurance* (New York: Wilson, 1926).
- Roger S. Hoar, *Unemployment Insurance in Wisconsin* (South Milwaukee: Stuart Press, 1932).
- Walter Matscheck, *Unemployment Compensation Administration in Wisconsin and New Hampshire* (Chicago: Public Administration Service, 1936).
- Lewis Meriam, *Relief and Social Security* (Washington: Brookings Institution, 1946).
- Sick-Pay Benefit Legislation* (Report of the Committee on Related Programs of the Interstate Conference of Employment Security Agencies, October 1, 1947).

II. Categorical Outdoor Relief

CATEGORICAL APPROACH

The reaction against the harshness of the poor laws led to the passage of special public assistance laws as well as to the passage of social insurance laws. These public assistance programs, or "categories" as they were called, were created to grant public aid to certain groups of dependent persons without the stigma of the poor laws or without residence in an institution. Hence, they were special programs of categorical outdoor relief.

These programs were a progression from the poor laws in the direction of social insurance: the legal right to assistance was given greater recognition than under the poor laws; the programs were often referred to as "pensions," giving further recognition to the rights of the recipients; and the standards of assistance and the quality of administration were better than under the poor laws. Historically, they provided the necessary tradition and administrative experience for the enactment of the public assistance programs of the Social Security Act.

The categorical approach in recent years has been criticized by many social workers.¹ Their criticisms are based primarily upon the fact that not all dependent persons receive the same treatment by the state. Standards of assistance for old-age assistance, aid to the blind, and aid to dependent children are often higher than those for general assistance. Thus a dependent person, age sixty-four, who is in need may receive a lower assistance grant from general assistance funds than a person in similar circumstances, age sixty-five, who receives his grant from old-age assistance funds.

This seemingly logical argument can be attacked on at least three grounds. The first is that public assistance has developed in the United States from a categorical approach, as have all our social security programs. Special appeals have been made for special groups since the days when the first institutions were established in the various states. To reverse that trend would require a complete

¹ For a discussion of these criticisms see Alton A. Linford, "Public Assistance Categories: Yes or No?" *Social Service Review*, Vol. XXII, No. 2 (June, 1948), pp. 199-210.

change in our approach not only to public assistance but to all of our social security programs. The second is that it is easier for legislators and others who formulate public policy to understand the needs of special groups than to understand the needs of all dependent persons. The third (and most important) is that liberal standards for the special categories has also led to improved standards for general assistance. In almost all states high standards for old-age assistance have led to higher standards for the other categories and for general assistance. This trend can be noted in California, Massachusetts, Rhode Island, New York, and many other states.

AID TO THE BLIND

The arguments used to advance special relief laws for the blind are those that have been advanced for all special relief categories. Many authorities have long contended that the categorical approach is the only defensible one for the advancement of the doctrine of public responsibility. It has been stated that recipients prefer their public assistance in the form of special categorical grants and that more adequate grants are provided under these systems.¹ These arguments have been made with particular force for aid to the blind.

Those who favored special relief systems for the blind contend that blindness is a sufficiently well-defined cause of poverty to require special treatment at the hands of the state. Further it has been shown that many persons, particularly those under twenty years of age, who are blind, can be re-educated and with proper assistance reinstated in industry and business. By creating a special relief category for them it is easier to carry out such rehabilitation.²

The great majority of blind persons are dependent. In normal times not more than 15 to 20 per cent of the blind are self-supporting. In addition to the physical handicap, older people predominate among the blind. The 1930 census³ listed 63,489 persons as blind, 28,113 or more than 40 per cent of whom were over sixty-five years of age. Inasmuch as the majority of the aged are dependent one could expect an even larger percentage of the blind aged to be dependent.

¹ "Categories," *Social Service Review*, Vol. XI, No. 2 (June, 1937), pp. 288-89.

² Robert B. Irwin and Evelyn C. McKay, *Blind Relief Laws, Their Theory and Practice* (New York: American Foundation for the Blind, 1929), pp. 12-14.

³ There have been no special censuses of the blind as part of the regular census since 1930.

There were, therefore, very good reasons why the states at a relatively early date designed special laws so that the needy blind should not suffer the stigma of the poor laws. As early as 1875 the Department of Charities of New York City was authorized to grant special monetary relief to the blind. The first special assistance law for the blind was enacted in 1898 when Ohio amended its poor law to permit direct grants by counties to the "worthy blind." In 1903 Illinois enacted a blind pension law and Wisconsin followed in 1907.⁵

The history of blind relief laws in several states shows how the categorical argument, especially on the part of the blind themselves, was used to secure passage of the laws. In Illinois the 1903 law was the result of the efforts of the Social and Mutual Advancement Association of the Blind, a Chicago organization. The original act was not mandatory and less than one-third of the counties established plans. One of the counties which did not take advantage of the state legislation was Cook County in which Chicago is located. After numerous futile attempts to secure the acceptance of the law by the board of supervisors, the blind decided to press for a mandatory law. Such a law was passed in 1915 in spite of the opposition of many social workers. The law made it mandatory upon the counties to grant a benefit of \$365 to any blind person of legal age who did not have a net income of over \$465 a year (\$1000 for a married couple). The social workers pointed out that this law was inflexible and did not recognize "degrees of need." Secondly, the social workers claimed that the law discouraged industry on the part of persons having an annual income of slightly less than \$465. In the third place it was argued that the law provided no method for rehabilitation of the blind.⁶

Meanwhile an organization known as the United Workers for the Blind of Missouri was formed in 1912 whose principle objective was the enactment of a blind relief law. Through its influence a resolution was passed by the state legislature presenting a constitutional amendment to the voters. Although the proposed amendment was defeated by a slight margin in 1914, the Association had it presented again in 1916, when it was approved by a large majority. In 1917 the legislature passed a bill implementing the amendment but the governor vetoed it on the basis of "lack of adequate funds." In 1921 a law was finally enacted granting a pension of twenty-five dollars per month to blind persons having an income of less than \$600 per year. Within two years after its passage Missouri had about 6000

⁵ Abraham Epstein, *Insecurity, a Challenge to America* (New York: Harrison Smith & Robert Haas, 1933), p. 571.

⁶ Irwin and McKay, *op. cit.*, pp. 52-53.

recipients, a much larger number than anticipated. Therefore, in 1923 an amendment to the law was passed restricting grants to those having "vision not greater than what is known as light perception."⁷

By August 1, 1935, twenty-seven states had laws providing special cash assistance to the blind. These states were: Arkansas, California, Colorado, Connecticut, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Missouri, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, Utah, Washington, Wisconsin, and Wyoming. Although the data were not very reliable, it appears that there was a total of 31,909 recipients in twenty-four of these states in 1934, or 68.4 per cent of the blind. Total expenditures in these states amounted to \$6,880,015 in 1934. Average grants ranged from eighty-three cents in Arkansas to \$33.12 in California.

A Wisconsin study published in 1935 shows the validity of statistics of the blind during the year 1934. The study found 3742 blind in the state, whereas the 1930 census reported only 1530 and state records showed 3033. Using census figures for 1930 Wisconsin would have been granting blind assistance to 121.2 per cent of the blind population in 1934. Corrected figures show the percentage to be fifty-four.⁸

The maximum grants in 1935, just prior to the passage of the Social Security Act, ranged from \$150 per year in New Hampshire to \$600 per year in California, Kansas, Nevada, and Utah. In eight states the average grants were less than one-half the maximum payable under the laws, and in only six states was the average more than two-thirds of the maximum.

Less than one-half of the states made any financial contributions to the grants. In Arkansas, Connecticut, Maine, Minnesota, Missouri, and Pennsylvania the costs were borne entirely by the state. In five states (California, Colorado, Illinois, New Hampshire, and Wisconsin) the states and counties financed the systems. In all other states with systems (Idaho, Iowa, Kansas, Kentucky, Maryland, Nebraska, Nevada, New Jersey, New York, Ohio, Utah, and Washington) the counties bore all of the cost.⁹

⁷ *Ibid.*, pp. 77-81.

⁸ "Blind Persons in Wisconsin 1907-1934" (Mimeographed Report of the State Board of Control, 1935).

⁹ In New Jersey the state paid the costs of administration only (this amounted only to \$4013 in 1934). Committee on Economic Security, *Social Security in America*, Social Security Board Publication, No. 20 (Washington: Government Printing Office, 1937), pp. 303-05.

As to eligibility the various laws usually had three requirements: first, that the recipient should be blind; second, that he should be needy; and third, that he should be a resident. In addition many states also stipulated that the recipient had to be "worthy," "of good character," and that he refrain from begging.

The states, of course, did not agree on what constituted blindness as an eligibility requirement. Ohio, New Hampshire, Nevada, California, and Idaho were quite liberal in this respect; they defined a blind person as one who had a defect in vision which made it impossible for him to earn a living. In Missouri, as we have already noted, blindness was defined as "vision not greater than light perception." Maine defined blindness as "less than one-tenth vision."

The legislatures were also confronted with the problem of defining a needy blind person. Illinois, Wisconsin, Iowa, Nebraska, and Missouri solved this dilemma by defining a needy blind person as one having less than a certain specified income. This income specified ranged from \$300 a year in Iowa and Nebraska to \$600 a year in Missouri. Some other states declared that the grant when added to their income and resources should enable the recipients to provide themselves with the "necessities." It should also be mentioned that most blind relief laws excluded all persons receiving benefits from poor relief or institutional care.

The states, in order to protect themselves from the migration of blind from other states to secure relief, believed that protective residential qualifications had to be incorporated with the laws. Thus Illinois provided that only those with ten or more years of consecutive residence in the state were eligible. This rule was copied by many other states. In addition a five-year county residence requirement was imposed by many states, Wisconsin authorized the counties to grant relief and charge the amount so expended during one year to the county in the state with legal residence. This practice was copied in a few states.

Persons were disqualified in some states for moral reasons. Many state laws excluded people with "vicious habits." Also excluded in most states were those who "publicly solicit alms." The New Jersey law, typical of many, stated: "The term 'publicly soliciting' shall be construed to mean the wearing, carrying, or exhibiting of signs denoting blindness or the carrying of receptacles for the reception of alms, or the doing of the same by proxy, or by begging from house to house." Some states also excluded blind persons from assistance because of prior infirmities. These were the persons who suffered from physical or mental infirmities which in themselves would have

made them eligible for institutional care. Presumably, the basis for such an exclusion was that these blind persons were noneducable and would never support themselves.

In the light of modern standards, the administration of the blind relief laws left much to be desired. Applications were usually printed upon a form which was, in effect, an affidavit. The localities seemed to be primarily concerned with whether the applicant was blind and whether or not he was a resident. In some states the applicants were allowed to secure their own medical examiners to determine the extent of blindness within the meaning of the law. Many communities were devoid of eye specialists and when a general practitioner who knew very little about the eyes made such examinations the possibility of improvement by treatment was often overlooked. While many of the laws required at least annual re-investigations of recipients the policy in many communities was to make only an original examination and then grant a pension to the recipient for life.¹⁰

In spite of the numerous difficulties in the administration of blind assistance laws a measure of specialized relief was provided to many blind persons. While the mere placing of a law upon the statute books does not always mean that the law will be properly administered it does represent a goal that has been accepted by the general public. The dependent blind were better off, particularly from an economic point of view, as a result of these laws. Valuable experience was gained which helped to pave the way for the specialized assistance provisions contained in the Social Security Act of 1935.

STATE OLD-AGE ASSISTANCE LAWS

The states became concerned with the plight of the aged more than forty years ago. Various state commissions¹¹ were appointed

¹⁰ Irwin and McKay, *op. cit.*, pp. 21-32.

¹¹ *Report of the Massachusetts Commission on Old-Age Pensions, Annuities, and Insurance* (Boston: House Document, No. 1400, General Court, 1910). The final report of the Commission was issued in 1910. Massachusetts originally studied the problem in 1903 when the Bureau of Labor Statistics made an investigation. This was reported in the Bureau's Labor Bulletin, No. 37 (September, 1905). The Commission was appointed in 1907, but did not make a preliminary report until 1909 (House Document, No. 10, General Court, January, 1909). A brief history of the work of the Commission and the legislative history of old-age assistance is to be found in Bulletin, No. 561, of the United States Bureau of Labor Statistics, *Public Old-Age Pensions and Insurance in the United States and Foreign Countries*. A complete bibliography on state systems was published in the May, 1929, issue of *The Monthly Labor Review*, pp. 1161-1175. Additional references 1929-1930 were published in the March, 1933, issue; pp. 1-9.

to make investigations. Soon thereafter the American Association for Labor Legislation and various fraternal orders, particularly the Eagles, suggested that special state assistance or pension laws be passed. This drive for state rather than local responsibility for the care of the aged in their own homes came about as a reaction against the shocking conditions in almshouses, where many aged persons were given care. In 1926 a group of fraternal societies presented the findings of numerous surveys of American almshouses.¹² The conditions exposed — poor food, filthy surroundings, poor buildings, no separation of the insane and feeble-minded, etc.— in this and similar books led to a series of state pension or assistance laws for the aged.

Arizona was the first state to pass an old-age assistance law. This law, passed by an initiative act in 1914, would have abolished almshouses and established state old-age assistance and aid to dependent children in their place but, primarily because of loose wording, it was declared unconstitutional. Alaska passed a law in 1915 which was still in operation (despite numerous modifications) when the Social Security Act was passed in 1935.

The unfortunate court experience in Arizona delayed further developments in the states until 1923. In that year Montana, Pennsylvania, and Nevada passed laws, but the Montana law was the only one that remained on the books. The Pennsylvania law was declared unconstitutional in 1924, and the Nevada legislature repealed its law in 1925. In Pennsylvania an attempt was made to amend the constitution to permit the granting of old-age assistance by the state. The amendment passed the legislature in 1931, was repassed in 1933, and approved by the voters at a referendum in 1934.

Wisconsin claims to have been "the third state to recognize a need for some form of aid for its aged citizens."¹³ It was not the third state to pass such a law, for its act was not placed on the statute books until May 12, 1925. It was, however, the third state to pass an act that was operable from the time of its passage until the enactment of the Social Security Act in 1935.

In 1926 Kentucky passed an old-age assistance law and Maryland and Colorado enacted laws the following year. But by the end of

¹² Harry C. Evans, *The American Poor Farm and Its Inmates* (Des Moines: Loyal Order of the Moose, Brotherhood of American Yeomen, The Maccabees, The Supreme Tribe of Ben Hur, and The American Insurance Co., 1926). See also Estelle M. Stewart, *The Cost of American Almshouses*, Bulletin of the United States Bureau of Labor Statistics, No. 36 (Washington: Government Printing Office, 1925).

¹³ George M. Keith, *Old-Age Assistance in Wisconsin, 1925-1933* (Madison: State Board of Control, 1934), p. 5.

1928, in spite of all the activity, only six states (Colorado, Kentucky, Maryland, Montana, Nevada, Wisconsin, and Alaska) had such laws.¹⁴

All of these laws were of the optional type, that is, the adoption of a system for providing grants to the needy aged was left to the counties. The state laws, therefore, were merely enabling acts which gave the counties the authority to establish systems for the administration of old-age assistance. As a result the laws were limited in effect. In all six states there were slightly more than a thousand recipients in 1928.¹⁵

Wisconsin, as has already been noted, was one of the states that made a serious effort to place an optional law in operation. Wood County was the first county to make payments, in 1925. It revoked its action on July 1, 1927, and payments were not reinstated until January 1, 1928. A system was placed in operation in Outagamie County on January 1, 1926 and the following month, LaCrosse and Sawyer counties adopted systems. Payments for old-age assistance were started in Brown County in December, 1925, but the county board voted to cease payments the following November. By 1933 only eleven of Wisconsin's seventy-two counties had implemented the state old-age assistance law. During that year only 393 persons in the state received grants, which averaged \$19.46 per month.¹⁶ When it is recognized that Wisconsin had one of the most effective plans in the country with the state bearing a percentage of the total costs (state aid ranged from \$18.95 per case per year in 1933 to \$33.33 per case in 1925), one can readily recognize the limitations of the programs.

There were, of course, variations in the state systems. In 1934 Abraham Epstein, a crusader for contributory old-age pensions, described the operation of the twenty-seven state plans then in existence.¹⁷ The pensionable age in fourteen of these states was seventy years, thirteen granted pensions at age sixty-five, sixty-eight was the age requirement in one state, and Alaska granted assistance to men at age sixty-five and women at sixty. The maximum grants also varied: \$150 per year was the limit in North Dakota, \$15 per month in Hawaii and Indiana, \$20 per month in Nebraska, \$250 per

¹⁴ Committee on Economic Security, *op. cit.*, pp. 155-60.

¹⁵ "Operation of Old-Age Pension Systems in the United States in 1931," *Monthly Labor Review*, Vol. 34, No. 6 (June, 1932), Table 5, p. 1266.

¹⁶ Keith, *op. cit.*, pp. 5-11.

¹⁷ Abraham Epstein, "Facing Old Age," *The American Scholar*, Vol. III, No. 2 (March, 1934), pp. 192-200.

year in Kentucky, \$25 per month in Delaware, Idaho, Montana, Ohio, and Utah, and \$30 per month in Arizona, California,¹⁸ Colorado, Maine, Maryland, Michigan, Minnesota, Nevada, New Jersey,¹⁹ Oregon, Pennsylvania, Washington, West Virginia, Wisconsin,²⁰ and Wyoming. The maximum in New Hampshire was \$7.50 per week. In two states—New York²¹ and Massachusetts—there were no statutory maximums.²²

Data on average monthly grants are even more significant. The average monthly grants ranged from sixty-nine cents in North Dakota to \$26.08 in Massachusetts. In North Dakota the state should have had \$507,744 during 1934 to meet its obligations for old-age assistance. The system, however, was financed by a property tax of 0.1 mill which, in 1934, yielded only \$28,534. The amount distributed, therefore, was over \$475,000 less than needed. Funds were divided on a pro-rata basis, resulting in average grants of sixty-nine cents per month.

In addition to low grants there were many eligible persons who did not receive grants. Indiana had 3959 uninvestigated applications in August, 1934. In 1934 Michigan placed 6575 on the rolls, but had 27,032 applications pending. New Jersey had 3080 pending investigations and New York 5123 during 1934.²³

¹⁸ For a description of the operation of the California law in 1934, see "Relief to the Needy Aged" (Mimeographed Report of the Bureau of Public Administration, University of California, entitled "Legislative Problems, No. 9."). A report of the California law's operation, "California's Experience with Old-Age Pensions" in the April, 1932, issue of *The Old Age Herald* by Abraham Epstein is somewhat more colorful. It was reprinted as a popular pamphlet by the American Association for Old-Age Security, of which Mr. Epstein was Executive Secretary. It was subtitled "Two Years' Operation Shows Old-Age Pension Cost only Half as Much as Poorhouses. Golden State Enthusiastic over Great Success of Law."

¹⁹ For a description of the operation of the New Jersey law in 1934 see *New Jersey's Experience with Old Age Relief* (Publication, No. 28, of the Department of Institutions and Agencies, Trenton, May, 1935).

²⁰ For a description of the operation of the Wisconsin law in 1934, see "Old Age Assistance in Wisconsin 1934" (Mimeographed report of the Statistical Department of the State Board of Control of Wisconsin).

²¹ For a description of the operation of the New York law in 1934, see pp. 182-88 of the *Sixty-Eighth Annual Report of the New York Department of Social Welfare*.

²² A detailed description of the operation of all state old-age assistance laws in 1934 is contained in Florence E. Parker's article, "Experience Under State Old-Age Pension Acts in 1934," *Monthly Labor Review*, Vol. 41, No. 2 (August, 1935), pp. 303-12. See also "Old-Age Pension Laws," a mimeographed report compiled by the American Public Welfare Association, 1934.

²³ Committee on Economic Security, *op. cit.*, pp. 63-65.

In addition to the qualification that the recipients must be needy, many of the laws stipulated that only citizens who were deserving or of "good character" should receive grants. Persons who deserted their husbands or wives, who failed to support their families, who had been convicted of a crime, or who had been tramps or beggars were ineligible. An even more severe restriction was in regard to residence. Some states required continuous residence of fifteen years prior to application and some had even higher requirements. Citizenship requirements also made the foreign-born who had failed to secure their papers ineligible in most states. A property limit (\$3000 in most states) and an income limit (usually \$300 or \$365 per year) kept people off the rolls. Virtually all laws also required that assistance had to be paid on a lien basis. The assistance grants then became a lien upon the property which was collected upon the recipient's or his spouse's death.

Most of the laws, as we have already noted, were permissive in character. Where the states had complete or even partial supervision over the system the administration was better than in the other states. The states had complete supervision over the plans only where they paid the entire cost. This was true only in Alaska, Delaware, Iowa, Michigan, North Dakota, Ohio, and Pennsylvania. The following states paid a portion of the costs and had some supervision over the local plans: Oregon, California, Indiana, Maine, Massachusetts, New Jersey, and New York. In Colorado and Wisconsin the money was given to the counties with no state supervision other than a mandatory annual report from the counties. This, as the Committee on Economic Security commented, "provides little guaranty that the laws are actually enforced."²⁴ In many states the entire responsibility was left to the counties. Kentucky, Minnesota, New Hampshire, Utah, and Washington did not even require an annual report from the counties.

JUVENILE COURT MOVEMENT

The juvenile court movement was not, strictly speaking, a categorical relief program but it is of importance in any discussion of the development of these programs. Specialized courts for children were the result of various efforts to save offending children from the rigidity of the common law. These courts focused attention upon the problem of a group needing special protection and made it easier

²⁴ *Ibid.*, p. 162.

for attention to be directed upon other special groups, particularly the relief needs of dependent children. Special categorical relief for dependent children was first instituted as a direct result of the efforts of a juvenile court judge.

While the underlying principles of juvenile courts have long been evident in legal history there has been some discussion as to whether these courts are of chancery or of equity jurisdiction in their origin. The concept that the state has a special obligation to children not owed to adults was well established in early English courts of equity or chancery jurisdiction. As early as the tenth century a Saxon king advocated special treatment for children who came before the courts. Nevertheless the general tendency of the criminal law was to treat children as adults. As late as the seventeenth and eighteenth centuries children of nine years of age were hung in England. Thus while the juvenile court may not be distinctly criminal in origin it came into being to reform criminal treatment of children.

The first juvenile court in the United States, and in the world, was established in Cook County (Chicago), Illinois when the Illinois Juvenile Court Law was enacted July 1, 1899. A law providing for such a court had been drafted by Judge Timothy D. Hurley as early as 1891. The bill was introduced into the Illinois General Assembly by Representative John A. O'Donnell where it passed to the second reading. John G. Shortall, President of the Illinois Humane Society, and Oscar L. Dudley, Superintendent of the Glenwood Industrial School, opposed the bill on the ground that it was advanced legislation and through their attorney, N. M. Jones, they secured the defeat of the bill. Agitation continued from 1891 to 1898 when a general investigation of the subject was made, resulting in the passage of the law.²⁵

In 1899 Judge Ben Lindsey of Denver, under the school laws of Colorado, established courts for the special hearing of children's cases, making it possible for the child to be dealt with under the power of *parens patriae* vested in its chancery jurisdiction. This took the child out of the criminal court and treated him as a ward of the state rather than a criminal. Judge Lindsey, while not claiming that this was the original juvenile court, claimed that it was "even superior in some respects to the delinquency law of Illinois" and that

²⁵ Timothy D. Hurley, "Origin of the Illinois Juvenile Court Law" in *The Child, the Clinic, and the Court* (New York: New Republic, 1925), pp. 320-30. See also Julia C. Lathrop, "The Background of the Juvenile Court Law in Illinois," in *Ibid.*, pp. 290-97, and Mrs. Joseph T. Bowen, "The Early Days of the Juvenile Court" in *Ibid.*, pp. 298-309.

"Colorado can claim no small credit for its contribution in this regard."²⁶

Juvenile court laws were passed between 1899-1904 in the following states: Pennsylvania, Wisconsin, New York, Maryland, California, Missouri, New Jersey, Indiana, Iowa, and Ohio. In most cases these laws did not create new courts, but merely used the facilities of existing courts. While many of the laws applied to large cities some of them were state-wide in operation.

By 1905 the pioneer stage of the movement which has been described as a period of experimentation, of sentiment, and of missionary work by individuals was over.²⁷ The movement spread rapidly; by 1914 more than thirty states had juvenile court laws and by 1920 all but three states had such laws.²⁸ At the present time all but two states (Maine and Wyoming) have provided for juvenile courts.²⁹

In 1918 the United States Children's Bureau made a study of the juvenile courts of the country. There were at that time 2034 courts with authority to hear children's cases involving delinquency or neglect.³⁰ Only 321 of these courts were classified as specifically organized as juvenile courts in accordance with the following principles: (1) separate hearings for children's cases in the judge's private chambers and not in an open courtroom; (2) informal procedure, with the use of petition or summons rather than indictment and warrant; (3) regular probation service with the employment of professional social workers as probation officers; (4) special detention for children; and (5) clinical facilities for psychiatric and psychological examinations.³¹

The Children's Bureau further found that juvenile courts were in operation mainly in urban centers. Less than one-fourth of the population in the forty-eight states was in reach of courts meeting these standards. All cities of over 100,000 and 70 per cent of the cities of 25,000 to 100,000 had such courts. In cities from 5000 to 25,000 juvenile courts were available to only 29 per cent of the population

²⁶ Ben B. Lindsey, "Colorado's Contribution to the Juvenile Court," in *Ibid.*, pp. 274-75.

²⁷ Herbert H. Lou, *Juvenile Courts in the United States* (Chapel Hill: University of North Carolina Press, 1927), p. 24.

²⁸ Grace Abbott, "History of the Juvenile Court Movement Throughout the World" in *The Child, the Clinic, and the Court*, *op. cit.*, pp. 267-73.

²⁹ John L. Gillin, *Criminology and Penology* (New York: Appleton-Century, 1945), p. 304.

³⁰ Grace Abbott, *op. cit.*, p. 271.

³¹ *A Standard Juvenile Court Law* (New York: National Probation Association, 1933).

and only 16 per cent of those in rural communities had the services of juvenile courts.²²

Probation which has been intimately associated with juvenile courts is a specialized form of treatment for offenders. It is designed to avoid the difficulties of incarceration for offenders; they are placed under the supervision of a probation officer in lieu of institutionalization. As a specialized service, particularly for children, our experience with probation has shaped our philosophy in regard to categorical treatment of other groups.

John Augustus, a shoemaker, started the probation system. He became interested in prisoners through his visits to the courts of Boston. On one occasion he observed a man, charged as a common drunk, whom he believed had possibilities of reformation. He petitioned the court and was allowed to put up bail after promising that the man would reappear in court for sentence after three weeks. The court was pleased with the results and the man was fined one cent plus costs (\$3.75) instead of being sent to a house of correction. During the next seventeen years Augustus handled 1946 cases, with a very low percentage of failures. When he died in 1859 his work was taken up by Rufus R. Cook, known as "Uncle" or "Father" Cook. Finally Massachusetts enacted probation into law in 1878 and other states followed this example and passed similar laws.²³

By 1944 probation had been extended to the District of Columbia, the federal government, and all but six states. The greatest developments had been in connection with juvenile courts which became not only specialized informal tribunals for children, but social agencies. In addition to probation the courts developed psychiatric clinics for the scientific study and understanding of personality problems. The first clinic of the sort was the Juvenile Psychopathic Institute organized in 1909 in Chicago by Dr. William Healy. Originally it was financed exclusively by the gifts of a public-spirited philanthropist, Mrs. William F. Dummer. In 1914, however, it became a regular department of the court and since 1917 it has been a state organization which is now known as the Institute for Juvenile Research.²⁴

²² Katherine Lenroot and Emma Lundberg, *Juvenile Courts at Work*, United States Children's Bureau Publication, No. 141 (Washington: Government Printing Office, 1925).

²³ For a history of probation see N. S. Timasheff, *One Hundred Years of Probation* (New York: Fordham University Press, 1941), and Helen D. Pigeon, *Probation and Parole in Theory and Practice* (New York: National Probation Association, 1942).

²⁴ Joel D. Hunter, "The History and Development of Institutes for the Study of Children" in *The Child, the Clinic, and the Court*, op. cit. pp. 204-14.

Probation officers, as social workers, were interested in the economic well-being of the children who came to their attention as well as with their personality maladjustments. The latter condition could be dealt with by psychiatric clinics, but there was no acceptable agency for dealing with the former. Two resources were available: (1) the inadequate relief granted by public poor law officials or private charitable agencies, and (2) public and private institutions. Neither of these sources was adequate and the probation officers and judges advocated a specialized form of relief, commonly known as mother's aid or mother's pensions, for mothers with dependent children.

AID TO DEPENDENT CHILDREN

Aid to dependent children was designed for mothers and children who had been deprived of the father's support by death or other reasons. Such special grants were authorized in forty-five states by 1935, but actually paid in less than one-half of the local units in these states. Over a long period of time it had been found that the local poor law did not provide adequate protection for dependent children. Private institutions which were built as a better means for caring for children also were inadequate. Soon after the turn of the twentieth century a philosophy of child care developed that emphasized the importance of family life for the proper rearing of children. This led to the adoption of plans for granting assistance to mothers with dependent children so that they could be cared for in their own homes.

Laws of this sort were first passed in Illinois and Missouri in 1911. The original laws appear to have been patterned upon workmen's compensation legislation by which the uncertainty of the employer's liability under the common law was replaced with the security of a system of social insurance. In the case of dependent children, the surviving mother was granted public aid as a substitute for the inadequacies of relief under the poor law. Interestingly enough, the first workmen's compensation law and the first mother's pension law were passed in the same year, 1911. Two years after Illinois passed its Funds to Parents Act twenty such laws were in operation; in ten years forty states and by 1934 all states except Georgia and South Carolina had such laws.²⁵

²⁵ Grace Abbott, *The Child and the State*, Vol. II. (Chicago: University of Chicago Press, 1938), p. 229. Miss Helen Glenn Tyson in "Care of Dependent Children," *Annals of the American Academy of Political and So-*

As Grace Abbott noted, a storm of controversy developed among social workers with the passage of the Illinois law, which had been proposed by Judge Merrit W. Pinckney of the Cook County Juvenile Court. Judge Pinckney had been forced again and again to take dependent children from their homes and commit them to institutions since poor relief in Cook County was at that time limited to grocery and coal orders. Judge Pinckney also had been impressed with the results of the White House Conference on Dependent Children called by President Theodore Roosevelt in 1909, at which the first resolution adopted stressed the need for the care of children in their own homes rather than in institutions.

The report of the White House Conference also emphasized the superiority of private care over public care. Many social workers in private agencies believed that the administration of any public relief system would never be adequate and efficient. However, Judge Pinckney did not consult social workers in private agencies before proposing the bill. As a juvenile court judge in charge of a public agency he sought public funds for this purpose. The critics of the law were not limited to Chicago social workers. Edward T. Devine, Director of the New York School of Social Work, sharply criticized the idea of mother's pensions. Miss Mary E. Richmond said that the step was a backward one. Frederick Almy, Secretary of the Buffalo Charity Organization Society, declared that "to the imagination of the poor the public treasury is inexhaustible." Not all social workers accepted this point of view. Homer Folks, Secretary of the New York Children's Aid Society, and Julia Lathrop, Chief of the United States Children's Bureau, favored the system.²⁸

This interest on the part of social workers led to an investigation by the Russell Sage Foundation of the administration of the laws in several cities. C. C. Carstens, then Secretary of the Massachusetts Society for the Prevention of Cruelty to Children, was the author of the study. He took the view that such programs were demoralizing to the recipients, that the case work services in connection with

cial Science), Vol. 212 (November, 1940), p. 168 stated that "by 1935 all the states except Georgia, Alabama, and South Carolina had such laws." This discrepancy is clarified in the Report of the Committee on Economic Security, *op. cit.*, p. 236. The report stated that "Alabama has authorized home care of dependent children under a law comparable to poor relief." For the history of the Aid to Dependent Children movement see also C. C. Carstens, "Social Security Through Aid for Dependent Children in Their Own Homes," *Law and Contemporary Problems*, Vol. III, No. 2 (April, 1935), pp. 246-52.

²⁸ Grace Abbott, *op. cit.*, pp. 231-33.

them were inadequate, and that the courts should not administer them.³⁷

In spite of the criticism the movement spread rapidly. Students of public welfare, however, usually held that these laws were a specialized form of relief rather than public pensions to mothers with dependent children. They also held that the laws should be administered by departments of public welfare rather than juvenile courts. However twenty of the states followed the Illinois example and gave the administration to the juvenile court. In twelve states the poor law authorities were given the responsibility; except in New England, where the township was responsible, the county was the local administrative unit. Rhode Island, New York, and Pennsylvania created special county boards to administer the laws. The state laws were usually permissive in character; that is, the state passed an enabling statute making it possible for the counties to adopt plans for administration if they so desired.

As in the case of other special categorical programs the amounts of grants varied from state to state and county to county. In theory, the grants were based upon need determined on the basis of an investigation. Even in states with high statutory maxima grants were usually lower than allowable. In 1931 the highest average monthly grants were in Massachusetts (\$69.31), Rhode Island (\$55.09), New York (\$52.62), and Connecticut (\$45.91). On the other hand, in Arkansas the average grant was \$4.33 per month, in Oklahoma, \$7.01, and in Louisiana, \$10.06. South Dakota was the median state with an average monthly grant of \$21.78 per family.³⁸ Certain moral safeguards surrounded the legislation. The Wisconsin law, as amended in 1915, stated that the children had to be under fourteen years of age and be in the care of the mother or grandparents. The mother had to be a widow "or the wife of a husband incapacitated for gainful work by permanent mental or physical disability," or of a husband sentenced to a penal institution for one or more years, "or of a husband deserting her continuously for one year or more during which all legal remedies to compel him to support his family had been exhausted."³⁹ It was not until 1919 that Wisconsin permitted payment to the children of unmarried mothers.⁴⁰

³⁷ C. C. Carstens, *Public Pensions to Widows with Children: A Study of Their Administration in Several American Cities* (New York: Russell Sage Foundation, 1913).

³⁸ Committee on Economic Security, *op. cit.*, pp. 253-56.

³⁹ Chapter 637 (Wisconsin), *Laws of 1915*.

⁴⁰ Chapter 251 (Wisconsin), *Laws of 1919*.

The impact of the depression forced a breakdown of the system. Even in Wisconsin, where the law was mandatory upon the counties, eleven counties had discontinued paying aid by 1933. The Michigan law also was mandatory, but by 1933 thirty-four counties had discontinued payments. The increasing pressure of financial need forced the average grants down in the various states. It was estimated in 1934 that three times as many families eligible for aid to dependent children grants were cared for by unemployment relief funds as by mother's pension funds. The situation in Wisconsin, for example, appears to have been primarily induced by the lack of funds in the counties. Furthermore it was possible for some counties to shift as much as 90 per cent of the cost to unemployment relief funds supplied by the federal and state governments.⁴¹ In 1934 the percentage of counties having systems in the various states ranged from one to one hundred. Per-capita expenditures within a state ranged from less than one-half of one cent to ninety-three cents. Average monthly grants ranged from nine dollars per month per family to fifty-one dollars. On November 15, 1934, it was found that approximately 190,000 families with 280,500 children were receiving aid. Fifty-one per cent of those families were living in cities of more than 50,000 population. It was further estimated that 32,476 of these families were in the nine largest cities, 18,723 of them in New York City alone. Only one state (New York) had more than 10,000 families receiving aid. There were six states giving aid to less than 200 families — Arizona, Kentucky, Louisiana, Virginia, West Virginia, and Wyoming.

In spite of some of the restrictive features of the legislation of aid to dependent children the early leaders in this movement emphasized the necessity for a clear-cut break with the old poor law psychology. Principles of budgeting as developed in private family agencies were widely used in the administration of aid to dependent children laws. The case work services provided in connection with these programs were generally superior to those in public relief agencies. The experience gained in the states was, therefore, of particular advantage in the subsequent liberalization of the program that occurred with the passage of the Social Security Act.⁴²

⁴¹ *Aid to Dependent Children in Wisconsin 1913-1933* (Report of the State Board of Control, 1934), pp. 29-30.

⁴² Helen Glenn Tyson, *op. cit.*, pp. 168-69.

MATERNAL AND CHILD HEALTH

Special maternal and child health services originated in the late nineteenth century with the establishment of various private agencies for the distribution of free milk for babies. These services, which often were under the auspices of social settlements, gradually added the professional services of nurses and physicians and became baby clinics. Later systems of medical inspection in the schools were focused upon the prevention of certain diseases or conditions such as tuberculosis, venereal disease, immunization clinics, dental defects, orthopedic conditions, and eye defects.⁴³

By 1910 there were forty-two organizations in thirty cities maintaining well-baby programs. During the period when the federal Maternity and Infancy Act, also known as the Sheppard-Towner Act, was in operation (1921-1929) 2978 child-health centers were established, chiefly in rural areas. Some of these lapsed when the act became inoperative for lack of an appropriation in 1929. In 1930 a survey of the White House Conference on Child Health and Protection showed that, in addition to centers in rural areas, there were 1511 permanent child-health centers in urban cities of more than 10,000 population.⁴⁴

Public child health work received its original impetus in America in 1908 with the establishment of a Bureau of Child Hygiene in the Municipal Health Department of New York City. Louisiana created the first division of child hygiene in a state department of health in 1912.⁴⁵ From that year until 1917 seven additional state divisions were set up; during the years 1918, 1919, and 1920, twenty-four new state divisions were created. By 1920 thirty-two states had divisions. With the passage of the Sheppard-Towner Act in 1921 four more states created divisions and in 1922 and 1923 eleven more did likewise. Thus by 1923 all but one of the states had such a division.

With the creation of the United States Children's Bureau in 1912 special federal activities were begun in the field of child and maternal health. The need for more widespread care was revealed by the numerous studies undertaken by the bureau, particularly in regard to

⁴³ Franz Goldmann, M.D., *Public Medical Care: Principles and Problems* (New York: Columbia University Press, 1934), pp. 52-53.

⁴⁴ S. Josephine Baker, M.D., *Child Hygiene* (New York: Harper, 1925), pp. 215-17.

⁴⁵ Sarah S. Deitrick in her article on "Maternal and Child Health" in *The Social Work Year Book, 1945*, p. 249, states that New York established the first division of child hygiene in 1914.

infant mortality, conditions of child health in rural areas, and maternal mortality. The results of the examinations of men for the armed forces in World War I gave added weight to these facts. It was believed that proper child health care could have remedied many of the physical defects of these men. The Children's Year activities of 1918 also showed that seven million pre-school children who were examined during that year were suffering from remedial defects. The effect of all these facts was to cause a demand for national legislation for the protection of the health of children and mothers, resulting in the passage of the Sheppard-Towner Act which provided for federal-state cooperation in the promotion of child hygiene. This Act, unfortunately, lapsed for lack of appropriations in 1929.⁴⁶

An examination of what happened in a specific state as a result of the Act shows the importance of this legislation. In Maryland, a Bureau of Child Hygiene which was not created until April 13, 1922, was a direct result of the federal legislation. The duties of the Bureau were:

1. To investigate the causes of infant mortality, and the diseases of pregnancy, infancy, and early childhood, and to devise and institute preventive measures for their control.
2. To promote the welfare and hygiene of maternity and infancy.
3. To perform such other duties and exercise such other functions as the State Board of Health shall designate.⁴⁷

This bureau caused a sharp decline in the infant mortality rate in Maryland. In 1921 the rate was ninety-four per thousand, in 1925 it was ninety, and by 1929 it was sixty-nine. While it is not possible to state that the Sheppard-Towner Act and resulting state legislation in Maryland was completely responsible for the situation it was certainly the main factor. The Bureau directed county nursing service, instructed midwives, conducted prenatal and child health conferences for nurses and physicians, arranged group health demonstrations, distributed literature on child hygiene, and provided exhibits and nutrition classes. Every county in Maryland was reached.⁴⁸

Although the Sheppard-Towner Act became inoperative in 1929 there was considerable interest in a federal program. Special emphasis was placed upon: (1) local services for children and mothers, services that would be administered locally with the use of federal

⁴⁶ Committee on Economic Security, *op. cit.*, pp. 270-71.

⁴⁷ Abridged from Edward J. O'Brien, *Child Welfare Legislation in Maryland, 1634-1936* (Washington, D.C.: The Catholic University of America, 1937), p. 255.

⁴⁸ *Ibid.*, pp. 256-57.

and state funds; (2) conditions in rural areas and areas of special economic need; (3) the development of demonstration services; and (4) the development of more adequate divisions of child hygiene in the states. The experience gained under the federal-state experience and the concentration on the needs of another special group provided the necessary tradition to secure federal funds for maternal and infancy work under the Social Security Act of 1935.

CRIPPLED CHILDREN

Crippled children were also given special consideration, particularly from the point of view of diagnostic services, medical treatment, and convalescent care. By 1934 provision of some sort had been made in thirty-seven states. Special services were provided by state departments or commissions or state hospitals. These services usually included the following: location and registration of crippled children; development of diagnostic and follow-up services; provision of medical and nursery care in the child's home, a foster home, a convalescent home, or a hospital. It was estimated that approximately \$5,500,000 was spent annually from state and local funds for the care of crippled children.

The amount of funds varied widely from state to state and there was a need for greater uniformity in the programs. During the depression some states virtually eliminated their programs because of the cost. It is little wonder then that the special needs of this group provided the proponents of a categorical approach with additional factual evidence for the special needs of another group.

It was not difficult to make special pleas for crippled children as a group entitled to special protection. The International Society for Crippled Children, organized in 1921, had spotlighted the needs of this group in a variety of ways. They had directed public attention to crippled children, sponsored legislation, and urged that additional appropriations from public funds be made. Starting in 1934, nationwide celebration of President Roosevelt's birthdays resulted in the raising of large sums for children suffering from infantile paralysis. Special funds for crippled children were made available to the states under the Social Security Act.⁴⁹

⁴⁹ Committee on Economic Security, *op. cit.*, pp. 285-86.

Selected Bibliography

Grace Abbott, *The Child and the State*, Vol. II (Chicago: University of Chicago Press, 1938).

S. Josephine Baker, M.D., *Child Hygiene* (New York: Harper, 1925).

Committee on Economic Security, *Social Security in America*, Social Security Board Publication, No. 20 (Washington: Government Printing Office, 1937).

Abraham Epstein, *Insecurity, a Challenge to America* (New York: Harrison Smith & Robert Haas, 1933).

Franz Goldmann, M.D., *Public Medical Care: Principles and Problems* (New York: Columbia University Press, 1934).

Robert B. Irwin and Evelyn C. McKay, *Blind Relief Laws, Their Theory and Practice* (New York: American Foundation for the Blind, Inc., 1929).

Herbert H. Lou, *Juvenile Courts in the United States* (Chapel Hill: University of North Carolina Press, 1927).

The Child, the Clinic, and the Court (New York: New Republic, 1925).

PART THREE

Modern Public Welfare Agencies

12 The Federal Government Becomes Welfare Conscious

NEED FOR EMERGENCY RELIEF

Public assistance administration remained almost exclusively a function of local government from colonial times until the depression. During this long period when public welfare was not recognized as a function of the federal government administrative procedures remained undeveloped. The local overseer of the poor was administering poor relief services in 1929 in much the same fashion as his colonial predecessor of 1639. Thus the country was not prepared in the fall of 1929 to assume responsibility for the staggering burden of relief to the unemployed.

In 1930, however, the federal government was forced to recognize the problem. Unemployment had become too large for private philanthropy, the localities, and the states to handle. In 1929 it had required almost superhuman effort to raise \$40,000,000 by private subscription for the relief of the unemployed — and the money was spent almost as soon as it was pledged. The national administration announced a theory of "quick recovery." On the basis of a national business survey made by the Chamber of Commerce the administration appealed to industry to stagger employment, increase production, and maintain wage rates. The President then offered the following programs: (1) state cooperation in the building of public works, (2) further development of national industry, and (3) increased federal construction. The President hoped to rely upon public works, but the situation facing the country was an acute emergency and the construction of public works requires long-range planning. Finally, the President's Committee for Employment was created to function as a clearing house for state, local, and private experience in the relief of the unemployed.

Unwillingness on the part of President Hoover and his administration to admit the existence of the need for national relief of the unemployed was to be expected. In spite of the twelve to fifteen million unemployed the federal government had traditionally left the complete responsibility of public relief to the localities. The localities

had, in turn, relied in many instances upon private philanthropy which had succeeded, in many localities, in doing a very creditable job. Charitable giving had been elevated to an art which became what Dr. I. M. Rubinow called the "American theory of private philanthropy." Community chests with their campaigns had succeeded in raising millions of dollars annually for private philanthropy. In fact, private philanthropy worked so well that it became associated with the "American way of life."¹

Even the social workers reflected this philosophy, especially during the period when the stock market was bullish. In the early days of the depression when businessmen were interested in "normalcy" and "business as usual" social workers were interested in "social work as usual." While there was a tradition of public responsibility as enunciated by the poor law, social workers had also inherited prejudices in regard to public welfare. Grace Abbott has stated that prior to 1929 the social work field was divided into three groups. On the left were those who felt that social service was a public function, and they rejoiced at every extension of this field. On the right were those who believed that the social services should be voluntary undertakings and they were alarmed with any expansion of public welfare. The largest group, however, were *middle-of-the-roads*, who favored the community's assuming responsibility either by public or private effort.²

STATE UNEMPLOYMENT RELIEF

Several of the more populous states accepted responsibility for unemployment relief before the federal government did. These state emergency relief programs provided the experience and the key personnel for the federal programs which appeared later.

New York was the first state to accept such responsibility. A Joint Committee on Unemployment Relief of the State Board of Social Welfare and the State Charities Aid Association had made extensive studies of the problem in December, 1930, and July, 1931. Subsequently Governor Franklin D. Roosevelt called a special session of the legislature to consider the findings and recommendations of these surveys. This resulted in an appropriation of \$20,000,000 for

¹ I. M. Rubinow, *The Quest for Security* (New York: Holt, 1934), pp. 338-54.

² Grace Abbott, "Social Work and Public Welfare Developments" in *This Business of Relief* (New York: American Association of Social Workers, 1936), pp. 15-16.

state aid to the localities for unemployment relief, raised by a 50 per cent increase in the income tax. An additional \$20,000,000 had to be appropriated on March 31, although the original appropriation was expected to last until June 1, 1932.

The New York Temporary Emergency Relief Administration was also created. The name of the organization signifies the caution of the legislature: unemployment relief from public funds was not only an "emergency," but was intended for a "temporary" period of time. To insure doubly the ephemeral status of the TERA, it was divorced completely from the State Department of Social Welfare. Harry L. Hopkins, who later became Administrator of the Federal Emergency Relief Administration, Secretary of Commerce, and chief confidant of President Roosevelt, was made Executive Director of the TERA.

The New York program was especially significant in the development of national policies for the administration of unemployment relief. New York set the standards and policies that were later adopted by the FERA. Rules and regulations of the TERA required that a qualified social worker be hired for each local staff, that a definition of eligibility consistent with the state law be employed, that prompt investigations be made, and that each case worker be responsible for no more than one hundred cases.¹

New Jersey was the second state to make special provision for the relief of the unemployed. In that state the demand for unemployment relief was felt as early as 1929. During 1929, 1930, and most of 1931 relief for the unemployed was administered by overseers of the poor without state aid. The lack of financial and administrative preparation on the part of these officials was obvious during the winter of 1930-1931. A special report to the governor prepared by the Commissioner of the Department of Institutions and Agencies stated that the municipalities were unable to cope with the problem. As a result the governor called civic leaders to conferences which led to the establishment of the New Jersey Emergency Relief Administration. The legislature appropriated for use between October 13, 1931, and June 30, 1932, the sum of \$10,000,000.

New Jersey followed the pattern set by New York in that the established department of public welfare (called the Department of Institutions and Agencies) was not given administrative authority over the program for unemployment relief. In New Jersey a separate organization (the New Jersey Emergency Relief Administration) was

¹ Josephine C. Brown, *Public Relief, 1929-1939* (New York: Holt, 1940), pp. 89-94.

set up with authority concentrated largely with the state director. It was believed that an acute emergency existed; the first director was quoted as saying that "the imperative need is for action and not debate, and for definite concrete programs quickly arrived at and quickly changed if wrong, rather than the slow compromise the committee organization frequently imposes."⁴

By the end of 1932 the New Jersey Emergency Relief Administration was caring for more than 300,000 destitute unemployed and other dependents, estimated to represent roughly one-fourth of those in the state affected by unemployment. The state had appropriated \$10,000,000, which represented one-half of the total state expenditures for unemployment relief for a year. New Jersey adopted, as fundamental policy, local responsibility for administration. The state accepted supervisory responsibility only: establishing rules and regulations for administration, developing standards, and coordinating public and private relief.⁵

The first important step toward state leadership in Pennsylvania was taken on October 10, 1930, when Gifford Pinchot, Republican candidate for governor, appointed a committee on unemployment. He was elected governor, November 4, 1930, and inaugurated January 20, 1931. The committee then made its report, advocating among other things an unemployment relief program to be locally administered and financed.

On July 6, 1931, Governor Pinchot appointed seven people to the Governor's Planning Committee on Unemployment Relief. This committee, however, was confronted with a constitutional prohibition against making "appropriations, except for pensions or gratuities for military services, for charitable, educational, or benevolent purposes, to any person or community . . ." Nevertheless, the legislature, after some controversy, passed the First Talbot Act granting state funds to the local poor boards, to be spent without state control or supervision.

Almost as soon as the act went into operation it was realized that the \$10,000,000 appropriated was inadequate. So the Governor called a second special session of the legislature which convened on June 27, 1932. At this session the Governor announced that more

⁴ Douglas H. MacNeil, *Seven Years of Unemployment Relief in New Jersey, 1930-1936* (Washington: Committee on Social Security, Social Science Research Council, 1938), p. 57 as quoted from *The New York Times*.

⁵ *First Annual Report to the Governor and the Senate and General Assembly* (Trenton: New Jersey Emergency Relief Administration, October, 1932), pp. 5-8.

than 1,150,000 were unemployed and that at least \$60,000,000 would be needed for unemployment relief within the year. The legislature appropriated \$12,000,000 for a seven months period. This act also established the State Emergency Relief Board to administer unemployment relief on a uniform state-wide basis.⁶

These were the basic principles adopted by the board for the administration of unemployment relief:

1. All relief was to be distributed on the sole basis of need to residents of Pennsylvania irrespective of race, religion, color, citizenship, or politics.
2. No relief was given to any person who had been offered work that he was able to do and that he refused.
3. Funds were expended solely for food orders, work relief, "or other forms of actual relief" (This precluded the payment of relief in cash.)
4. Each County Emergency Relief Board was directly responsible for carrying out the policies and regulations of the State Emergency Relief Board.⁷

Rhode Island was the next state to organize an emergency relief program. In November, 1931, Rhode Island appropriated \$2,500,000 for emergency relief. The money was loaned to the towns of the state. Apparently the state retained very little supervision over the work in the localities. It was not, in fact, until March, 1933, that a state-wide supervisory system was established, when a case work department was organized on a state-wide basis. Prior to that time the local relief offices had attempted to investigate families receiving relief, aided only periodically by a state field staff. "In some instances, practically no home investigations were possible" and it was some time before most of the local offices approximated the state standard of not more than 150 cases per worker.⁸

The urgency of relief needs in Illinois was manifest as early as October, 1930, when Governor Emerson appointed the Governor's Commission on Unemployment and Relief. The activities of the commission led to the passage of the bill creating the Illinois Emergency Relief Commission in February, 1932. In addition the bill levied a tax of \$25,000,000 for the year on taxable property. In order that

⁶ *Unemployment Relief in Pennsylvania, September 1, 1932 - October 31, 1933* (Harrisburg: State Emergency Relief Board, 1933), pp. 1-16.

⁷ Arthur Dunham, *Emergency Relief in Pennsylvania* (Philadelphia: Public Charities Association of Pennsylvania, 1933), p. 7.

⁸ *Report of the (Rhode Island) State Unemployment Relief Commission, January 1, 1933, to February 1, 1934*, p. 3.

funds might be immediately available notes against the tax levies up to 75 per cent of the levy were authorized.⁹

The states that established emergency relief programs during 1932-1933 followed the pattern set in the first six states. The first step was usually the creation of a citizens' committee which presented a report to the governor. This was followed by the establishment of a new *ad hoc* administrative body, without involving a regular department of government in the administration of unemployment relief. Usually the state departments of public welfare were definitely not interested in the job of administering unemployment relief. Then too, most persons including social workers, thought that the depression was to be short-lived and any measures taken to combat it should be temporary. Subsequent events, of course, discredited this point of view.

EMERGENCY RELIEF DIVISION OF THE RECONSTRUCTION FINANCE CORPORATION

After some of the states had accepted responsibility for unemployment relief there was considerable pressure for federal financial participation. Social workers were among those interested in federal aid. William Hodson, then Executive Director of the Welfare Council of New York and later New York City Commissioner of Public Welfare, sent an open letter to President Hoover on October 13, 1931, urging federal aid for unemployment relief. He urged that a study of the situation be made and that action be based upon facts rather than opinions.¹⁰ The leaders from the state emergency relief administrations also advocated federal aid. For example, Edward L. Ryerson, Jr., Chairman of the Illinois Emergency Relief Commission, was quite active in the campaign to secure federal aid. He made numerous visits to Washington, wrote to the Illinois Congressional delegation, and urged the members of the County Emergency Relief Boards to wire their congressmen.¹¹

Social workers and others intimately connected with the state emergency relief programs were not the only persons who advocated federal aid for unemployment relief. Businessmen were perhaps the most articulate group favoring federal aid. They were realistic

⁹ Frank Z. Glick, *The Illinois Emergency Relief Commission* (Chicago: University of Chicago Press, 1939), pp. 23-26.

¹⁰ Josephine C. Brown, *op. cit.*, p. 103.

¹¹ Arthur P. Miles, *Federal Aid and Public Assistance in Illinois* (Chicago: University of Chicago Press, 1941), p. 13.

enough to understand that without federal aid there would have to be increased local taxation. Also, many of them recognized the gravity of the emergency. They had worked tirelessly to raise private funds only to see them disappear in a few months; they had seen hunger marches and had witnessed relief stoppage after relief stoppage. While they did not believe in federal intervention in local affairs, they preferred temporary federal aid rather than the prospect of riot and possible revolution.¹²

Despite the gravity of the times there was a great deal of opposition to federal aid. The Sentinels of the Republic used the same arguments against federal intervention that they had used in the depression of 1893. While many progressive businessmen campaigned for federal aid the Chamber of Commerce of the United States was opposed to it. They had taken a straw vote and claimed that their membership preferred private to public funds by 2479 to 194. In addition there were many arguments used against federal aid. It was claimed that it would seriously impair the credit and solvency of the government, that it would increase unemployment and delay natural forces at work to restore prosperity, that it was contrary to the Constitution and violated basic American principles of local government, and that the rights and self-respect of the sovereign states were at stake.¹³

The proponents of federal aid, however, won and in July of 1932 the Wagner-Rainey Bill was passed, authorizing the Reconstruction Finance Corporation to make loans to the states for public works and unemployment relief. On July 11, 1932, President Hoover vetoed the bill on the ground that the appropriation for public works would employ too few people. An almost identical bill was passed on July 16 and signed by the President on July 21. Thus for the first time federal funds were made available for unemployment relief. The act authorized the Reconstruction Finance Corporation to make available to the states \$300,000,000 in loans for unemployment relief. No state was to receive more than fifteen per cent of the total and the loans which were to bear interest at three per cent were to be repaid, beginning with the fiscal year 1935, by making annual deductions from state apportionments for highway aid.

The project was characterized by a philosophy of sound business, particularly the idea of self-liquidation. The governor of a state, in making application, had to certify that all available resources were

¹² *Ibid.*, p. 15.

¹³ Brown, *op. cit.*, pp. 109-11.

inadequate to meet the need. Illinois was the first state to make application for and to receive a loan from the federal government for unemployment relief. Governor Louis L. Emerson of Illinois made application for a loan on July 20, one day before the President approved the act, and the state received a loan of \$3,000,000 on July 27, 1932.¹⁴

Soon after the passage of the act Fred Craxton, Vice-Chairman of the President's Organization for Unemployment Relief, became Assistant to the Director of the RFC in charge of the Emergency Relief Division. Craxton had to content himself mainly with stimulating the states to make appropriations for unemployment relief. He attempted to encourage and promote improved standards of relief and administration, but he was without authority in this respect.

The RFC was completely devoid of any authority to establish rules and regulations for the states and localities in regard to the administration of unemployment relief. Administration of the division was quite simple and its staff quite small. Craxton was aided by two first assistants and three relief examiners. In addition there were six field representatives who were loosely assigned to territories. A legal group of four completed the staff, except for the necessary clerical and stenographic personnel.

This is how the organization functioned. A governor's application for a loan was checked by the legal examiners for legal phraseology, conformity, and completeness. It was checked also against the state statutes and for legality of arrangements for repayment. Craxton, aided by a report from a field representative, checked the report. It then went to the board of the RFC for action.¹⁵

In spite of the fact that the RFC was supposedly making a loan to a state, not forcing the state to go through a rigid "means test," a vast amount of information was required. The governor had to state the amount required each month by all subdivisions in the state, the amount available from private agencies, the total amount of assistance given and the number of persons aided each month beginning with January, 1932. Each month a new application had to be filed.

A long-needed step was taken by the Emergency Relief Division of the RFC — federal financial participation in unemployment relief. Otherwise the organization was ineffective. The fact that it was a loan agency, not set up for administering federal aid to the

¹⁴ Miles, *op. cit.*, pp. 15-16.

¹⁵ Gertrude Springer, "How Federal Relief Gets into Action," *Survey Monthly*, Vol. LXVIII, No. 14 (October 15, 1933), p. 507.

states, explains most of its weaknesses. In the second place, the division did not possess any administrative or supervisory authority. It was virtually helpless in assisting the states in establishing adequate emergency relief programs. In the third place, the RFC did not have adequate funds at its disposal.¹⁸ Even though the RFC was quite ineffective as a relief agency, it did serve as a financial resource and drove the entering wedge for a further development of federal aid and responsibility for public welfare.

FEDERAL EMERGENCY RELIEF ADMINISTRATION

The FERA was established when the country faced an unprecedented economic crisis. President Roosevelt had declared in his inaugural address in March, 1933, that "a host of unemployed citizens face the grim problems of existence." He added that "the only thing we have to fear is fear itself — nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance." At that time unemployment had reached its peak; the estimates of the number of unemployed ranged from twelve to fifteen million in March of 1933. Four million families representing eighteen million individuals were receiving public relief, hundreds of thousands of families were losing their homes and their farms, the financial condition of state and local governments was serious, and a psychology of fear was universal among the people. One of the positive steps taken by the government was the creation of the FERA, particularly its emphasis upon work for the needy unemployed.

The Federal Emergency Relief Administration law, known as the Wagner-Lewis Act, was approved by the President May 12, 1933. This did away with the doctrine of self-liquidation and abolished loans to the states for unemployment relief. The Act, which was "to provide for cooperation by the federal government and the District of Columbia in relieving the hardship and suffering caused by unemployment and for other purposes," applied the grant-in-aid principle to unemployment relief. The main provisions of the Act were as follows:

1. The Federal Emergency Relief Administration was created for two years, all its powers to be exercised by an administrator.
2. In addition to funds authorized by the Act, the RFC was authorized to make available for expenditures under the Act, \$500,000,000.

¹⁸ Miles, *op. cit.*, pp. 16-30.

3. Powers given to the administrator included:
 - a. The right to grant funds to the states for financing relief and work relief to relieve the hardships of unemployment.
 - b. Power to take over the administration of relief in any state where, in his opinion, the administration was inefficient.
 - c. His decision was to be final as to the purpose of any expenditures under the Act.
4. Quarterly grants totaling \$250,000,000 were to be made to the states making application. Each state was entitled to receive in any one quarter an amount equal to one-third of the amount expended by the state.
5. The balance of the funds were to be distributed at the discretion of the administrator, with the exception of that available for administrative expenses.
6. After October 1, 1933, money intended for appropriation on a matched basis could be granted to the states at the discretion of the administrator.

Harry L. Hopkins was appointed as Administrator by President Roosevelt. He had served as the Executive Director of the New York Temporary Emergency Relief Administration and was an experienced social worker. The day after he assumed office (May 22) he approved the first grants from the "matching funds" to Colorado, Illinois, Iowa, Michigan, Mississippi, Ohio, and Texas. The gravity of the situation confronting these states is shown by the fact that these grants were made in response to telegraphic appeals from the governors. By the end of December approximately \$324,500,000 had been allocated to the forty-eight states and territories. On February 15, 1934, additional funds were appropriated by Congress. From May, 1933, to June 30, 1936, the astronomical sum of \$3,088,670,625 was allocated to the states for emergency relief under five different acts of Congress.¹⁷

For a federal democracy with pronounced traditions of state and local responsibility the authority given to the administrator was unusual. He had virtually unlimited discretion and he utilized his broad powers without the counsel of an advisory board. The FERA was an independent agency and the President, therefore, was the sole check on this almost dictatorial power of the administrator. The only excuse for the broad powers given to the administrator was the gravity of the social and economic crisis facing the country. With some fifteen million unemployed and many people in need of the bare necessities of life, action was required. Hopkins as FERA Administrator provided the action.

The Act was not more than three weeks old when, on June 14, 1933,

¹⁷ Brown, *op. cit.*, pp. 145-49.

Mr. Hopkins scheduled a conference of state officials in Washington with forty-five states, the District of Columbia, Alaska, Hawaii, and Puerto Rico sending delegates. Many of the governors attended in person. At the conference the administrator outlined the terms of the Act and sketched the policies that he intended to follow. President Roosevelt addressed the group and made it clear that he expected that primary emphasis was to be placed upon setting the needy unemployed to work. This emphasis was repeated by Hopkins at the National Conference of Social Work.¹⁸ Indeed, the first steps in this direction had been taken during March and April, 1933, several weeks before the passage of the FERA Act, when an emergency relief program was set up. Thus Hopkins and the New Deal Administration gave notice very early in the development of federal relief programs for the unemployed that work relief was to be stressed.¹⁹

The administrator was more than a man of action; he was a vigorous and courageous public servant. An example of his courage was the issuance of "Rules and Regulations, Number One" on June 23, 1933, which declared that after August 1, 1933, all grants were to be administered by public agencies. Thus state public agencies were prohibited from turning over federal funds to private agencies.²⁰ Although the expenditure of public funds by public agencies has long been recognized as a canon of public administration, it was never strictly adhered to in the social work field. Much of the money "loaned" to the states for emergency relief by the RFC was granted as subsidies to private agencies.

The FERA imposed an obligation upon the state emergency relief organizations to grant adequate relief to the needy unemployed. On this subject the FERA's stand was emphatic. Each local relief administrator was requested to employ at least one experienced social worker on his staff, with at least one qualified supervisor for every twenty workers. Minimum standards of investigation were established: the home was to be visited promptly after investigation; an inquiry was to be made as to real property, bank accounts, and other financial resources; each employer was to be interviewed, the ability of friends, churches, and relatives to help was to be assessed; and, in particular, liability of relatives to support under state laws was to be determined.

¹⁸ *Proceedings of the National Conference of Social Work, 1933*, pp. 65-71.

¹⁹ Brown, *op. cit.*, p. 154.

²⁰ Doris Carothers, *Chronology of the FERA, May 12, 1933, to December 31, 1935* (Washington: Work Projects Administration, Division of Social Research, 1936), p. 5.

The mere issuance of rules and regulations from Washington would not have resulted in automatic compliance with federal regulations in the states and localities. These had to be supplemented with additional control devices: the review of plans submitted by the states, the insistence upon efficient administration, the employment of competent and qualified personnel, and the approval of reporting and accounting procedures. One of the FERA's most effective control devices was the insistence upon the employment of qualified personnel.

The FERA had a staff of able field representatives upon whom all of the control devices depended. Most of these men had had experience on the field staffs of public or private welfare agencies and three of them had been field representatives for the Emergency Relief Division of the R²C. In the final analysis, all controls were established pursuant to the administrator's authority to withhold grants from the states.²¹

WORK PROGRAMS

As we have already noted, the President's original intention was to place the able-bodied unemployed to work. On November 9, 1933, the President signed a decree establishing, by executive order,²² the Civil Works Agency which was a work relief agency separate from but administered by the FERA. Work relief was not, of course, an original innovation of the depression. It had been used as early as 1711 under the Hamburg System of relief. Under this experiment work-rooms had been established where the poor were set to work spinning flax.²³

The objective of the CWA was the employment by December 15, 1933, of four million unemployed persons, at least half of whom were to be transferred from the unemployment relief rolls. Thus the projects had to be ones that could be undertaken quickly, placing a premium upon the leaf-raking type of projects rather than upon more substantial public works. Workers employed on the projects were paid a "just and reasonable wage" in accordance with the following scale:

²¹ Edward Ainsworth Williams, *Federal Aid for Relief* (New York: Columbia University Press, 1939), p. 151.

²² United States President Executive Orders, No. 6420-B.

²³ Frank D. Watson, *The Charity Organization Movement in the United States* (New York: Macmillan, 1922), pp. 10-18. See also Karl de Schweinitz, *England's Road to Social Security* (Philadelphia: University of Pennsylvania Press, 1943), pp. 91-99.

Northern zone: skilled workers, \$1.20 per hour;
unskilled workers, \$.50 per hour.

Central zone: skilled workers, \$1.20 per hour,
unskilled workers, \$.45 per hour.

Southern zone: skilled workers, \$1.00 per hour,
unskilled workers, \$.40 per hour.³⁴

The CWA devised a vast array of projects, such as street and highway construction and grading and repairing streets.³⁵ In addition there were projects for white-collar workers and women workers. The country, however, had had little experience in operating large-scale work relief projects and in the rush to place millions on the job, many projects were overmanned. This resulted in a great deal of criticism.³⁶

One of the chief purposes of the CWA was economic pump priming. It was an effort to get a great deal of money in circulation so that the economy of the country would operate in such a way that jobs would be created in private industry. Also, the CWA was inaugurated as a reaction to public protests over the large idle relief population. The general public was willing to accept an emergency relief program; but when the public awoke to the fact that the unemployment problem was no longer a temporary one, demands for work rather than relief for the jobless were voiced. The unemployed themselves became particularly articulate in this demand.³⁷

Nevertheless, the CWA was a short-lived organization. A reduction of its payrolls was ordered by the President effective February 23, 1934, and additional reductions were ordered for February 24, 1934, and March 6, 1934. Thus the CWA was terminated almost as hurriedly as it was inaugurated.³⁸ Its death did not mean that the administration gave up work relief; it merely meant that it gave up the CWA.

The Emergency Work Relief Program, created as an integral part of the FERA by orders from the administrator issued March 6, 1934, was the successor to CWA. One of the immediate problems facing

³⁴ Carothers, *op. cit.*, pp. 27-29.

³⁵ Corrington Gill, Assistant FERA and CWA Administrator, estimated that 35 per cent of the projects were street repair and that 95 per cent of all projects involved repair rather than new construction (Corrington Gill, "The Civil Works Administration," *National Municipal Year Book*, 1937, pp. 424-25).

³⁶ Miles, *op. cit.*, p. 69.

³⁷ Harry L. Hopkins, *Spending to Save: The Complete Story of Relief* (New York: Norton, 1936), pp. 108-11.

³⁸ Carothers, *op. cit.*, pp. 43-45.

the new program was the completion of unfinished CWA projects. It differed from the CWA mainly in that it was a "work-for-relief" rather than a "work relief" program; that is, those who were assigned to projects worked for their budgetary relief needs rather than for a going weekly wage.

Maximum hours of employment under the new program were set at twenty-four per week. Prevailing wages were paid as established by local committees, but in no case were they lower than thirty cents per hour. In no case were the worker's wages to be greater than the amount necessary to meet his family's budgetary requirements. The minimum wage guarantee was abolished November 19, 1934, and immediately thereafter the hourly wage rates, particularly in the South, were lowered. For example, in December, 1934, approximately one-fourth of the common labor in South Carolina received ten cents an hour.

The Emergency Work Relief Program also consisted largely of the leaf raking type of project. One of the reasons for this—in addition to the desire to get people to work as rapidly as possible—was the failure of the FERA to undertake any classification of potential relief workers. It was not until October 8, 1934, that the FERA recognized the necessity for classification data. Then it was announced that the Division of Research and Statistics of the FERA was going to undertake such a classification. In spite of the desire to put millions of workers on the job almost overnight, it seems inexcusable to have omitted classification for such a long period of time. Work projects, forced as they are to accept many marginal workers, operate at best with many handicaps. With the projects loaded with misfits public criticism at "shovel leaning" became more pronounced.

The administration was still hoping to place the unemployed on work projects at a going rate rather than on "work-for-relief" projects. President Roosevelt delivered a message to Congress on January 6, 1935, declaring that "work must be found for the able-bodied but destitute workers." In addition he announced that "the federal government must and shall quit this business of relief."²⁸ By the end of 1935 the Emergency Work Relief Program and the entire FERA had been liquidated in favor of a new work relief program.

The Work Projects Administration (originally known as the Works Progress Administration) was created by executive order of the President and started operation in the summer of 1935. It was the successor to the Emergency Work Relief Program and the adminis-

²⁸ *Congressional Record*, 74th Cong., 1st Sess., LXXIX, pp. 89-92.

tration's answer to the President's demand for a work relief rather than a work-for-relief program.

Prior to the liquidation of the WPA in 1942 more than a quarter of a million projects had been undertaken. They ranged from New York City's forty-million-dollar North Beach Airport to small jobs involving a few hundred dollars, from mosquito control plans to the beautification of cemeteries and the teaching of Spanish to the armed forces. Engineering projects, however, were the most numerous. By February, 1942, engineering projects had accounted for more than 75 per cent of all employment provided. Forty-four per cent of all workers were employed on highway, road, and street projects; water supply, sewage disposal, and other public utility projects accounted for 10.5 per cent of all employees; and 7 per cent were employed on public buildings.

All projects undertaken by the WPA were required to be sponsored by some unit of government other than the WPA. Certain criteria were established for the selection of projects. The project proposed by the sponsor had to be work the sponsor was legally authorized to do. The work had to have a general public usefulness. No projects could be undertaken which would have displaced regular employees. The projects had to be so designed as to have an available labor supply that met the eligibility requirements. It was stipulated that the cost of material should not be excessive in relation to labor costs. Often it was also required that the project be completed by a specified date and that the work undertaken be done on public property. Local sponsors had to bear some portion of the total costs of projects. The amount of these contributions varied; in 1936 local sponsors bore only about 10 per cent of the costs, but by 1941 they bore 31 per cent.

Monthly earnings of workers were scheduled according to the types of work done within districts. In 1935 the minimum rate in the Middle Atlantic states was \$40 per month while it was \$21 in the West-South-Central states. The maximum rates, at that time, varied from \$81.90 in the West-South-Central states to \$94.90 in the Middle Atlantic states.

The WPA was a work relief program and need was the prime eligibility requirement. With but very few exceptions persons employed on WPA projects had to be certified as being in need by the local certifying agency. During the first few months of the program, before the federal government abandoned the "business of relief" the county emergency relief agencies certified the workers on a more or less uniform basis. With the extinction of these agencies the relative uniformity disappeared. Then the WPA usually turned over to local

relief agencies the responsibility for making investigations and certifying workers. Although need was the primary condition, special preference was extended to veterans. In 1936 the WPA was directed by Congress not to take into consideration adjusted service bonds a veteran might have received in determining his need for employment. When the rolls were sharply reduced in 1936 veterans were exempted from discharge. Finally, in 1941, Congress gave "full preference" to veterans and gave them complete priority in assignment to projects.

From 1936 to 1941 the WPA employed on the average about 2,060,000 persons per month, ranging from an average of 1,136,000 in 1941 to 2,717,000 in 1938. The highest levels of employment came in October and November, 1936 and November, 1938, both at times of national elections. Critics were quick to point this out. In comparison to private employment, employment on WPA projects did not loom so large. From 1935 through 1941, WPA accounted for only about 5 per cent of the total number of workers gainfully employed. During that period, however, it was the country's largest employer of labor, employing three times as many workers as the American Telephone and Telegraph, General Electric, and Westinghouse companies; the United States, Bethlehem, and Republic Steel corporations; or the Baltimore and Ohio, New York Central, Pennsylvania, and Union Pacific railroads.⁴⁰

RELATED PROGRAMS

The FERA and the work programs were not the only federal relief measures adopted during the depression decade. One of the most widespread of the related services was the distribution of surplus commodities. The purpose of this program was to bolster prices for producers. Products distributed were those available in larger quantities than would make possible production without loss. This program, while geared into the administration of direct relief and work-for-relief, became in some places a continuation of the commissary system, which had been called by Hopkins "the most degrading system of relief."⁴¹ The Federal Surplus Commodity Corporation was established October 4, 1933, to solve "the paradox of hunger and destitution." Surplus commodities, while given in packages or bas-

⁴⁰ Adapted from Donald S. Howard, *The WPA and Federal Relief Policy* (New York: Russell Sage Foundation, 1943). See also Grace Adams, *Workers on Relief* (New Haven: Yale University Press, 1935).

⁴¹ Hopkins, *op. cit.*, p. 104.

kets and being relief in kind, were to be given in addition to and not in lieu of direct relief or work-for-relief.²² It is a well-known fact, however, that in many localities commodities were used in place of relief.²³ Even in states where the commodities were given strictly as an addition to relief they often had a degrading effect upon the recipients. In Illinois, for example, the Illinois Emergency Relief Commission, operated a clothing and household delivery service as a separate unit. In many localities commodity depots were maintained where the clients called for their commodities.²⁴ Such depots obviously had a humiliating effect upon clients as did the commissaries of pre-depression days. Clients queued up in line outside the depots to be seen by any passer-by. The fact that clients were given these products without regard to their need for them resulted in waste. This waste, in turn, led to severe criticism of the emergency relief program. With the liquidation of the FERA at the end of 1935 surplus commodities became the only relief available to thousands of families.

The Rural Rehabilitation Division of the FERA operated another related service. The purpose of this program was to select agriculturally experienced relief families and establish them in rural areas on a self-supporting basis. Under the program an attempt was made to grant to the clients such seed stocks, farm animals, and equipment as might be needed to make a prospective farmer self-supporting. In addition, the services of trained specialists in agriculture and home economics assisted the clients. The Rural Rehabilitation Division also aided in the adjustment of debts and the development of a sound plan of financial rehabilitation for rural people in need. This division ceased to exist on June 30, 1935, when its responsibilities were transferred to the Resettlement Administration.²⁵

Numerous other special programs were operated during this period. A special federal transient program was set up by the FERA²⁶ and an emergency education service, which originated under CWA auspices, was continued by the FERA.²⁷ Of all the special programs, however, the best accepted was the Civilian Conservation Corps.

²² *FERA Monthly Report*, July, 1935.

²³ Brown, *op. cit.*, p. 255.

²⁴ Illinois Emergency Relief Commission, *First Biennial Report*, p. 121.

²⁵ Brown, *op. cit.*, p. 167.

²⁶ See John N. Webb, "The Transient Unemployed," *FERA Monthly Report*, January, 1936, p. 24. See also William J. Plunkett, "The Transient Program," *Social Service Review*, Vol. VIII, No. 2 (June, 1934), p. 489.

²⁷ Miles, *op. cit.*, p. 95.

Indeed, no major undertaking of the New Deal Administration met with more general approval. Even the opposition of organized labor and of liberals who feared its militaristic or fascist aspects was not significant. The discipline of an organized work program appealed to conservatives, and many liberals approved of the program because of its successful combination of relief, work, and vocational education.³⁸

The modern American work camp seems to have been considered by President Roosevelt even before his election. Within a month after his inauguration he had asked and Congress had furnished the funds for a camp program. He personally sketched the diagram for the organization of the CCC program.³⁹ The program was officially launched on March 31, 1933, and on April 5, 1933, Robert Fechner was appointed Director of Emergency Conservation Work. Four departments — War, Labor, Agriculture, and the Interior — participated in the CCC program and representatives of these departments formed an advisory council. The Department of Labor had the responsibility for the selection of boys and young men as enrollees, approximately 90 per cent of whom were on relief. The War Department had the responsibility of operating and supervising the camps. The Departments of Agriculture and Interior planned and supervised the work projects.⁴⁰

CCC enrollees were selected by a certifying agency. Then they were instructed to report at an army recruiting office where they were given physical examinations. After this they were sent to camps where usually not more than two hundred enrollees were quartered. The work day was eight hours with discipline maintained on a civilian basis without saluting, drilling, or marching. One of the most significant aspects of the CCC was its educational program, with an educational director in each camp. The educational program was not formalized, and there was no prescribed curriculum. Classes were organized for those enrollees who wished to attend. The classes ranged from special groups for illiterates to courses in technical subjects. Most were definitely vocational in nature.⁴¹

³⁸ Henry Coe Lanpher, "The Civilian Conservation Corps: Some Aspects of Its Social Program for Unemployed Youth," *Social Service Review*, Vol. X, No. 4 (December, 1936), p. 636.

³⁹ *Civilian Conservation Corps Program, March, 1933, to June 30, 1934*. (A report by Conrad L. Werth, Departmental Representative on the Advisory Council CCC, to Harold L. Ickes, Secretary of the Interior), p. vi.

⁴⁰ *First Report of the Director of Emergency Conservation Work* (April 5, 1933, to September 30, 1933) (Washington: Government Printing Office, 1934), pp. 1-11.

⁴¹ Lanpher, *op. cit.*, pp. 623-36.

While many persons expected the CCC to become a permanent program it was liquidated with the approach of war. Conrad L. Werth, representative of the Interior Department on the Advisory Council, stated in 1943, that "an organization similar to the Civilian Conservation Corps should be established on a permanent basis and designated the Conservation Corps, and that such an organization should be a joint enterprise of the federal departments and agencies administering and protecting the natural resources of the nation."⁴

ADMINISTRATIVE IMPACT OF THE FERA

The FERA was the first large-scale relief program administered with the financial cooperation of the federal government. It was established hurriedly as the result of a grave economic crisis. During the time of its operation it transferred responsibility for the relief of a large group of dependent persons (the unemployed) from the local to the federal and state governments. After more than three centuries of exclusively local responsibility this transfer had a pronounced effect upon local public administration and local public opinion. It brought to many communities a new concept of public welfare; that the administration of public welfare services required the skill of professional social workers. Heretofore relief had been administered in most localities by an elected official acting *ex officio* as overseer of the poor. His was an ancient office, dating from Elizabethan England. Obviously many an overseer of the poor and many a local citizen looked with suspicion upon the importation of private urban social work methods. Furthermore the FERA Administrator was given broad authority; his decision as to the purpose of any expenditure was final. This was something new in American public administration and the Czar-like authority of the administrator was to receive critical and caustic comment by the press.

Nevertheless it should be noted that the FERA did the job assigned to it and did it very well. It was one of the largest public relief programs in the world, touching the lives of twenty million persons. Its policies were uniform throughout the country, it functioned with speed and dispatch, and its program was carried out with a minimum of graft and corruption.

For the first time there was established in every county a county-wide relief administration. The FERA secured, through its supervision and through the work of the state ERA's, uniform standards of administration and procedure in these departments. The extent

⁴ Werth, *op. cit.*, pp. iii-iv.

to which the localities had accepted responsibility for relief during 1930-1931 depended upon the seriousness of their unemployment problem. In the cities, poor relief offices, public welfare departments, private agencies, and special emergency relief organizations were all used to administer these programs. Most rural areas had only overseers of the poor. With the coming of the Emergency Relief Division of the RFC the same pattern was continued, but the FERA changed this and as a result a uniform program was established in every county.

The FERA established a pattern of federal-state-local relationships that were made permanent with the enactment of the Social Security Act. It had a field staff who were the administrator's representatives to the states. They kept him in close touch with the state programs, they interpreted federal policies, and they reported on various conditions that assisted the administrator in allocating funds to the states. The actual granting of relief was a local responsibility, but was done pursuant to federal and state (mainly federal) rules and regulations. A similar federal-state-local cooperative program has been effected for the administration of public assistance under the Social Security Act.

One of the most significant contributions of the FERA was the first "rule and regulation" issued by Hopkins which said that public funds should be spent solely by public agencies. This policy established once and for all a clear-cut principle and a broad philosophy of governmental responsibility for relief. It settled a question of great importance because of the earlier widespread use of subsidies to private agencies. This policy made it possible for many private agencies to make readjustments in their relief programs and it paved the way for the establishment of permanent public welfare agencies under the Social Security Act. Without the experience of the FERA it would have been exceedingly difficult to have established county departments of public welfare for the administration of the federally-aided public assistance programs.

PASSAGE OF THE SOCIAL SECURITY ACT

As the depression continued it became apparent that many of the problems associated with public dependency were long-range issues that had to be dealt with by means of permanent organizations. In a special message on June 8, 1934, President Roosevelt declared that the administration would present a bill to Congress "to provide security against several of the great disturbing factors in life — especially those which relate to unemployment and old age." A Com-

mittee on Economic Security, employing a large staff of technical experts, devoted six months to an exhaustive study of the problems prior to the presentation of legislation to Congress. As Professor Edwin E. Witte, who was Executive Director of the Committee, said, "in one way or another, about everybody who had ever written anything touching on social security problems or who claimed to have any special knowledge of any phase of this subject was connected, with the Committee."⁴⁸

The committee was deluged with various proposals, many of which were contradictory. Time required prompt decisions. Political and partisan considerations likewise had to be dealt with. The result was an acceptable program but one that did not completely satisfy anyone, the "experts" in particular.

Then Congress gave the proposals prolonged consideration. There were extended hearings on the bill prepared by the committee in January and February, 1935. It was expected by administration leaders that the measure could be passed in time to enable the state legislatures, many of which were then in session and scheduled to adjourn in April, to pass the necessary enabling legislation to make the programs effective at the earliest possible date. The House Ways and Means Committee began consideration of the bill in executive session in February, but the bill did not emerge from this group until the first week in April. In the Senate it was first given consideration by the Committee on Finance. Considerable opposition had developed toward the bill and the old-age insurance plan was saved by only one vote in the committee. It was then reported for passage, but it was amended several times on the floor over the united opposition of the administration leaders. The most important amendment was the Clark amendment which, if passed, would have exempted employers with industrial pension systems of their own from the federal old-age insurance system. Finally a compromise was reached under which the Clark amendment was dropped, but it was promised that consideration would be given to it by a special committee that reported to the next session. The difficulties were not over even after the bill passed both houses and was signed by the President. The appropriation to put the bill into effect was talked to death by an anti-administration filibuster of the late Senator Huey Long in the closing days of the session.

⁴⁸ I am indebted to my colleague, Professor Edwin E. Witte, of the Department of Economics, University of Wisconsin, who has made available to me a manuscript of his forthcoming "History of Social Security in the United States." The above quotation is from that manuscript.

With the obvious need for a social security program one might question the reasons for the pronounced congressional opposition. A great deal of bitterness had developed out of congressional debate of the WPA appropriation, which was considered by Congress just before the social security bill. In addition there were pronounced differences of opinion among those interested in social security, including persons who had been associated with the Committee on Economic Security. These criticisms gave the impression that the advocates of social security were divided and were more interested in fighting one another than in presenting a solid front. Also there were many businessmen against the additional tax burden, believing that there should be complete industrial recovery before such taxes were imposed.

On the other hand, the proponents of the Townsend plan were demanding a monthly old-age pension of \$200 per month and congressmen were deluged from constituents favoring the plan. Liberal groups in general favored the plan as did organized labor and the administration. These combined groups finally secured passage of the act.

PROVISIONS OF THE SOCIAL SECURITY ACT

Three kinds of programs were established by the Social Security Act: social insurance benefits based upon previous contributions, public assistance grants based upon need as determined by a means test, and the extension of certain social services. As we have already stated, there had been previous legislative history in the states with these programs and the federal act was merely a strengthening and expansion of established state legislation.

Unemployment compensation, one of the social insurance provisions of the act, was in a different category. Only one state (Wisconsin) had passed such a law and even in that state no benefits had been paid. It is doubtful if many states would have passed these laws without the motivation of a federal tax for this purpose. In fact, the provisions relating to unemployment compensation had to be written in such a way that they would appear to be voluntary, but would also make it advisable for the states to pass such laws.

A precedent was found in the decision rendered in the case of *Florida v. Mellon*.⁴⁴ This decision involved the power of the federal government to use the offset tax device to remit a portion of a federal inheritance tax to the states with such tax laws. Florida did

⁴⁴ 273 U.S. 12 (1927).

not have such a law and the federal government merely collected a larger inheritance tax in that state. Hence Florida brought action against the Secretary of the Treasury on the grounds that it was an illegal use of federal taxing authority. The United States Supreme Court, however, declared the device to be a legitimate use of the power of the federal government to levy taxes.

By using the offset tax device the proponents of a state-federal system of unemployment compensation declared that it would be held constitutional.⁴⁵ Specifically, the Act credited "contributions" (taxes) by employers under state laws as offsets against a special federal tax of 3 per cent upon payrolls. These taxes which were collected by the Bureau of Internal Revenue were levied upon wages and salaries paid out during the preceding year by employers with eight or more employees. That portion of salaries above \$3000 per year was exempted.⁴⁶ Against the federal taxes the employers were allowed to offset the amounts they had contributed under an approved state unemployment insurance fund. The amount of such credits could not exceed 90 per cent of the total, or 2.7 per cent of a total 3 per cent tax. Those states which did not elect to pass unemployment compensation laws paid the full 3 per cent tax directly to the federal treasury, but in these states no benefits could be paid to unemployed workers.

The passage of the Social Security Act did not result, as many anticipated, in the immediate enactment of laws in all the states. Progress was distressingly slow for more than a year as most legislatures were not in regular session. Furthermore the constitutional issues were not yet settled. Nevertheless within a short time after Roosevelt's re-election most states passed unemployment laws. Within less than two years unemployment compensation systems had been established in every state.⁴⁷

In order to have its plan approved a state had to provide for certain standards in its unemployment compensation law as determined by the federal Act.

⁴⁵ They were correct for the Act was subsequently held constitutional in the case of *Steward Machine Co. v. Davis*, 301 U.S. 548 (1937) and *Carmichael v. Southern Coal & Coke Co.*, 301 U.S. 495 (1937).

⁴⁶ The original classes exempted were: (1) agriculture, (2) domestic service, (3) shipping within the navigable waters of the United States, (4) services of the immediate members of a family, (5) service in federal, state, and local governments, (6) employees of nonprofit organizations. In addition, no tax was levied on self-employed persons.

⁴⁷ Edwin E. Witte, "Development of Unemployment Compensation," *Yale Law Journal*, Vol. 55, No. 1 (December, 1946), pp. 21-52.

1. The benefits to those eligible had to "be paid through public employment offices in the state or such other agencies as the Board may approve."
2. States were prevented from paying out any benefits until two years after the date on which the assessment of contributions was made under the state law.
3. All money received by the state through contributions had to be paid over immediately to the federal Unemployment Compensation Trust Fund.
4. Money withdrawn from the federal fund had to be used exclusively for the payment of benefits.
5. Certain eligibility requirements were also specified. Compensation had to be paid to otherwise eligible workers who refused to accept work under the following conditions:
 - a. "If the position offered is vacant due directly to a strike, lock-out, or other labor dispute."
 - b. "If the wages, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality."
 - c. If the unemployed individual is "required to join a company union or to resign or refrain from joining any bona fide labor organization."

Otherwise, wide latitude was given to the states to devise their plans. They were given an opportunity to make use of employer reserves, guaranteed employment accounts, or state-wide pooled reserves for the investment of the funds. Likewise the states were given discretion in regard to benefit standards. In general, benefits to unemployed individuals were set at 50 per cent of average annual wages, with specified minimum and maximum monthly benefits (usually five dollars and fifteen dollars).

The second social insurance program of the Social Security Act was old-age insurance. This program was established as a mandatory federal, rather than a cooperative, state-federal, program. Taxes were assessed against employers who, in turn, might charge half of the taxes to the employee. The taxes were levied on all covered employers, even though they had only one employee each. Exempted fields were similar to those under unemployment compensation.

As already noted, old-age insurance is administered by the government through the Bureau of Old-Age and Survivors' Insurance. Originally the act provided retirement benefits to certain specified beneficiaries and death benefits to survivors. Monthly benefits were originally calculated for eligible workers on the basis of the following formula: (1) on the first \$3000 of wages while in employment one-half of one per cent, (2) on the total of the sums between \$3000 and \$45,000 of covered wages an additional one-twelfth of one per cent,

and (3) on all sums over \$45,000 an additional grant of one twenty-fourth of one per cent. The maximum grant was set by law at \$85.00.²

Thus the original benefit scale was designed to give greater weight to the earnings of the lower paid and older workers. It was believed that such a plan would provide for the maximum number of older workers and thus relieve old-age assistance of a substantial burden. Old-age insurance, however, has cared for a minor portion of those granted old-age security under the act. Even after old-age insurance was expanded into old-age and survivor's insurance and the benefit formula was somewhat liberalized the average benefit was appreciably less than the average old-age assistance grant.

As in the case of unemployment compensation the tax money is placed in a special trust fund. The trust fund idea, particularly for old-age insurance, has been a very controversial issue on which economists have not been in agreement.

The public assistance provisions of the Social Security Act are three in number — old-age assistance, aid to dependent children, and aid to the blind. These programs are administered in the states through federal grants-in-aid. The federal government grants money to the states for these programs providing the laws of the states meet certain minimum standards specified in the Social Security Act.

In order to receive federal aid the states had to meet the minimum acceptable standards established by federal legislation. For old-age assistance the original standards were as follows:

1. The plan had to be in effect in all political subdivisions of the state and be mandatory upon them. This provision eliminated all optional plans.
2. After 1940 the age of eligibility for assistance might not be above sixty-five years, although prior to that time the age requirement might be as high as seventy years.
3. The states had to furnish some of the funds for the program. While the states' contribution was not specified, it was not possible for the states to transfer financial responsibility entirely to the localities.
4. Federal funds might not be used to pay grants to aged persons in public institutions.
5. The state plan had to provide for direct state administration of the plan or for state supervision of local administration.
6. The right of appeal for those who were denied grants by the state agency had to be guaranteed.
7. The state administrative or supervisory agency had to make all reports required by the Social Security Board.

² Paul H. Douglas, *Social Security in the United States* (New York: McGraw-Hill, 1936), pp. 160-62.

8. The states were precluded from imposing any residence requirement which excluded persons who had resided in the state five of the last nine years, and one year continuously prior to the date of application.
9. No citizenship requirement might be imposed that excluded any citizen who was otherwise eligible. This was a roundabout way of permitting the states to have a citizenship requirement while granting federal funds to those states who did not wish to disqualify non-citizens.
10. The states were required to reimburse the federal government its proportionate share of any recoveries from the estate of a person who had received old-age assistance.

Originally, the states were required to "provide such methods of administration other than those relating to selection, tenure of office, and compensation, as are found by the Board to be necessary for efficient operation." The specific exclusion of control over personnel left the way open for partisan politics in the various states. This was corrected on January 1, 1940, when an amendment to the act gave the federal Board this authority. On that date also an amendment became effective requiring the states to take into consideration, in determining the amount of the grant, all income and resources of the recipient. This was occasioned by the practice in some western states, especially California, of ignoring a stated amount of income and equivalent resources (for example the first \$20) in determining the monthly grant.

Provisions for aid to dependent children and aid to the blind were similar. Thus the federal government provided grants-in-aid to the states for the administration of the public assistance programs according to certain specified standards. The crucial problem of the determination of need, however, was left entirely to the states. While the programs were intended for needy persons the federal government did not prescribe the system for determining the extent of the need in individual cases. As we shall discuss in a later chapter the states have evolved several systems for the determination of need.

The federal government originally granted financial aid to the states for public assistance on a matched funds basis. In the case of old-age assistance, for example, this originally amounted to one-half of the grants up to a maximum of thirty dollars per month. This was later changed to forty dollars and in 1946 the federal government assumed a greater degree of responsibility. According to this amendment its share of old-age assistance and aid to the blind was two-thirds of the first fifteen dollars plus 50 per cent of the additional up to a maximum monthly grant of forty-five dollars. Prior to these

amendments it matched on a fifty-fifty basis up to eighteen dollars for the first dependent child and twelve dollars for each additional child. Then the federal share became two-thirds of the first nine dollars for the first child and one-half of the balance, not to exceed a total grant of twenty-four dollars for the first child and fifteen dollars for each additional child.⁴⁵ In 1948 the formula was changed again. The federal government now grants to the state three-fourths of the first twenty dollars of a monthly grant (fifteen dollars of the first twenty dollars) plus one-half of the next thirty dollars (fifteen dollars of the next thirty dollars). The government now pays thirty dollars of a fifty-dollar monthly grant to an aged person and does not share in monthly grants in excess of fifty dollars. The formula for aid to the blind is the same. For the first dependent child the federal government grants three-fourths of the first twelve dollars plus one-half of the next fifteen dollars. For each additional child it grants three-fourths of the first twelve dollars plus one-half of the next six dollars.⁴⁶

The Social Security Act covers a broader scope than social insurance and public assistance. Special grants were provided for maternal and child health programs, services for crippled children, child welfare services, and vocational rehabilitation. Federal grants for maternal and child health constituted in effect a revival of the old Sheppard-Towner Act which had been allowed to expire because of failure to appropriate funds in 1929. Originally, the Social Security Act appropriated \$3,800,000 annually for maternal and child health. In order to receive federal funds the states had to have a maternal and child health program approved by the United States Children's Bureau, then a part of the Department of Labor, and now in the Social Security Administration. An annual appropriation (originally \$2,850,000) was provided for services for crippled children. This program was also administered by the Children's Bureau. An annual appropriation of \$1,500,000 was also made available to the states for certain dependent and neglected children. These funds were materially increased with the amendments of 1946.

Public welfare, as we have noted, remained from colonial times

⁴⁵ For a discussion of the effect of these changes see Robert W. Beasley, "Changes in Social Security — 1946," *Public Aid in Illinois*, Vol. XIII, Nos. 9-10 (September-October, 1946), pp. 3-4, 17.

⁴⁶ Public Law 642, 80th Cong., 2nd Sess., Chap. 468. It became effective October 1, 1948. This law also excluded approximately 750,000 from coverage under old-age and survivors' insurance by substituting the old common law definition of employee for the definition used by courts in workmen's compensation and other labor law cases.

until the depression primarily a concern of local government. Beginning with the establishment of the first institutions in the eighteenth century, the states had accepted responsibility for certain special groups of dependents, defectives, and delinquents. With the inauguration of special assistance programs for dependent children, the blind, and the aged, they accepted additional responsibility. During the depression years temporary federal grants for emergency relief for the unemployed also were given to the states. The enactment of the Social Security Act in 1935 made the federal government's role a permanent rather than a temporary one in public welfare.

Selected Bibliography

- Josephine C. Brown, *Public Relief, 1929-1939* (New York: Holt, 1940).
 Doris Carothers, *Chronology of the FERA, May 12, 1933, to December 31, 1935* (Washington: Work Projects Administration, Division of Social Research, 1936).
 Paul H. Douglas, *Social Security in the United States* (New York: McGraw-Hill, 1936).
 Arthur Dunham, *Emergency Relief in Pennsylvania* (Philadelphia: Public Charities Association of Pennsylvania, 1933).
 Frank L. Glick, *The Illinois Emergency Relief Commission* (Chicago: University of Chicago Press, 1939).
 Harry L. Hopkins, *Spending to Save: The Complete Story of Relief* (New York: Norton, 1936).
 Donald S. Howard, *The WPA and Federal Relief Policy* (New York: Russell Sage Foundation, 1943).
 Douglas H. MacNeil, *Seven Years of Unemployment Relief in New Jersey* (Washington: Committee on Social Security, Social Science Research Council, 1938).
 I. M. Rubinow, *The Quest for Security* (New York: Holt, 1934).
 Edward Ainsworth Williams, *Federal Aid for Relief* (New York: Columbia University Press, 1939).

13. Federal Public Welfare Agencies

LACK OF UNIFIED WELFARE AUTHORITY

The role of the federal government in public welfare was restricted to a few institutional facilities, research agencies, and grants-in-aid prior to 1932. With the inauguration of various federal emergency relief programs and the subsequent enactment of the Social Security Act it assumed a larger measure of responsibility. Although a large portion of the federal budget is now spent for public welfare there is a noticeable lack of administrative integration among the services.

The Constitution does not set up a definite administrative structure for the federal government, except for the statement that the executive power shall be vested in a President. With the beginning of government under the Constitution, in 1789, there were but four departments—State, War, Treasury, and the Attorney General. The Navy Department was created in 1798 and the Postmaster General was made a cabinet officer in 1824. Other departments were authorized at later dates: Interior, 1849; Agriculture, 1889; Commerce and Labor, 1903; and Labor was created as distinct from Commerce in 1913. Since then, with the exception of Defense (1947), there have been no new departments although there has been a pronounced trend in the number of independent organizations which are responsible directly to the President and are not lodged in established departments. Their prototypes are the Civil Service Commission, created in 1883, and the Interstate Commerce Commission, created four years later.

The absence of a unified federal public welfare authority was not a pressing problem until the creation of the FERA in 1932. The general acceptance of the doctrine laid down by President Franklin Pierce in 1854, with his veto of Miss Dix's bill for federal aid for the mentally ill, limited the scope of the government in this field. President Harding, however, proposed a departmental reorganization during his campaign in 1920. His original proposal was to have a Department of Education and Welfare, but when his bill¹ was introduced in 1921 the educational aspects were omitted. This bill pro-

¹ Senate Bill 1839, 67th Cong., 1st Sess.

vided for the creation of a Department of Public Welfare and the office of Secretary of Public Welfare with cabinet rank. In addition three Assistant Secretaries of Public Welfare were "to be appointed by the President, by and with the advice of the Senate." They were to "perform duties as may be prescribed by the Secretary or required by law." The bill also proposed that "there shall be a solicitor, a chief clerk, and a disbursing clerk, and such other clerical assistants as may from time to time be authorized by Congress." The bill provided for the transfer of the following services from the Department of Interior to the Department of Public Welfare: Office of Indian Affairs, Bureau of Pensions, Saint Elizabeth's Hospital, Howard University, and Freedman's Hospital. The Department of the Treasury was to transfer to the new department the following services: Bureau of War Risk Insurance, Office of the Surgeon General, and the Public Health Service. In addition several services from other departments were to be lodged in the proposed Department.

This plan of President Harding's was not enacted into law. Nevertheless he was still interested in reorganization of departmental functions and the creation of a Department of Public Welfare. In 1923 a Joint Committee on the Reorganization of Government Departments was appointed. The President made the following proposals to the committee:

1. The coordination of the Military and Naval Establishments under a single cabinet office, as the Department of National Defense.
2. The transfer of all nonmilitary functions from the War and Navy Departments to civilian departments — chiefly Interior and Commerce.
3. The elimination of all nonfiscal functions from the Treasury Department.
4. The establishment of one new department — the Department of Education and Welfare.
5. The change of the name of the Post Office Department to the Department of Communications.
6. The attachment to the several departments of all independent establishments except those which perform quasi-judicial functions or act as service agencies for all departments.¹

It was proposed that the new Department of Education and Welfare have the following major subdivisions, each with an Assistant Secretary in charge — Education, Health, Social Service, and Veterans Relief. The following services from the Department of Interior were to be transferred to the new department: Bureau of Education, Indian Schools, Howard University, St. Elizabeth's Hospital, Freed-

¹ Senate Document No. 302, 67th Cong., 4th Sess.

man's Hospital, and the Bureau of Pensions. The Department of Labor was to transfer part of the Women's Bureau and part of the Children's Bureau to the new department. The Public Health service of the Treasury Department, the Soldiers' Home of the War Department, and the Office of Superintendent of Pensions were also to be placed in it. The following independent establishments were also to be given to the new department: Smithsonian Institution, Federal Board for Vocational Education, National Home for Disabled Volunteer Soldiers, Columbia Institution for the Deaf, and the Veterans' Bureau.

A somewhat similar proposal was made by President Roosevelt's Committee on Administrative Management in 1937. In the committee's report a proposal was made for the creation of a Department of Social Welfare "to advise the President with regard to social welfare; to administer federal health, education, and social activities; to conduct research in these fields; to administer federal grants, if any, for such purposes; to protect the consumer; to conduct the federal aspects of the federal-state programs of social security in which need is the basis of payment to beneficiaries; to administer all federal eleemosynary, corrective, and penal institutions; and to administer probation and parole."¹

In recent years additional attempts have been made to create a federal department. These attempts have been in vain and, as we shall soon note, federal welfare agencies are to be found in numerous departments. The creation of the Federal Security Agency was a step in the direction of integration, but the services placed in this agency have not yet been welded into a unified welfare authority.

CHILDREN'S BUREAU

The United States Children's Bureau, which was created by an act of Congress approved by President Taft, April 9, 1912, was for many years one of the most significant of all federal agencies having public welfare functions. Although the Bureau, as created, was not primarily an agency engaged in the administration of public social services, it has been instrumental in pointing out the need for such services. From its beginning it was an important research center in the public welfare field. According to the act it was to "investigate and report to the said department (originally the Department of Commerce and Labor) upon all matters pertaining to the welfare of

¹ *Report of the President's Committee on Administrative Management* (Washington: Government Printing Office, 1937), p. 35.

children and child life among all classes of our people, and shall especially investigate the questions of infant mortality, the birth rate, orphanages, juvenile courts, desertion, dangerous occupations, accidents and diseases of children, employment, legislation affecting children in the several states and territories."⁴

The creation of this Bureau was the first recognition by the federal government of a national responsibility in the promotion of child welfare standards. Broad power was given to the new organization and its plans did not follow those of traditional private or governmental child-caring agencies. What has since been referred to as "the whole child" was made the subject of the Bureau's research. It assembled a staff of research specialists and experts in various fields — law, medicine, psychology, as well as social work — and endeavored to give an over-all appraisal of all aspects of child welfare.⁵

Julia C. Lathrop, the first Chief, was largely responsible for formulating the pattern of the Bureau. She had been one of the early residents of Hull House in Chicago and in 1893 began her career in public welfare service. Appointed in that year by Governor Altgeld to the Illinois State Board of Charities, she resigned from the board in 1901 charging that the public welfare services were being prostituted for political purposes,⁶ but she later returned to the board, and served until 1909. While a member of the Board she visited every poorhouse in the state and was finally successful in taking all the insane out of the poorhouses. She was also one of the early advocates of the juvenile court, serving on the volunteer committee which secured probation service in the Cook County (Chicago) Juvenile Court. She also took an active role in the establishment of the first psychopathic clinic affiliated with a court. This was the beginning of a psychiatric clinic now known as the Institute for Juvenile Research. As Jane Addams noted in 1932, these experiences furnished an excellent preparation for the position as Chief of the United States Children's Bureau.

The Bureau became well known for the high standards of its research publications. Indeed it became one of the most important sources for scientific studies in the child welfare field. For example, it secured factual information regarding the great need for emergency

⁴ 37 U.S. Statutes 79 (1912), Section 2.

⁵ Grace Abbott, *The Child and the State*, Vol. II, "The Dependent and Delinquent Child, the Child of Unmarried Parents" (Chicago: University of Chicago Press, 1938), pp. 611-20.

⁶ "Julia Lathrop and the Public Social Services," *Social Service Review*, Vol. VI, No. 2 (June, 1932), p. 301.

relief during the early days of the depression. Also it found that fewer babies were born during the early years of the depression. Hospitals and clinics reported an increase in rickets among children; in New York City 20.5 per cent of the school children examined were suffering from malnutrition as compared with 13.4 per cent in 1929. Transiency, particularly among boys, was on the increase during 1931 and 1932, and more children were cared for in foster homes.⁷

Research was the original function of the Bureau and still is one of its primary functions. Certain administrative functions, however, have been given to it from time to time. The Child Labor Law of 1917-1918 was administered by it. Child labor had been a major political issue for some time. In 1912 the Republican and Progressive parties declared themselves in favor of such a law. In 1916 both the Democratic and Republican parties favored its immediate passage. An attempt had been made to pass a federal law as early as 1906 when the Beveridge-Parsons bill was introduced and Senator Lodge proposed a similar bill in 1907. The Kenyon bill had been introduced in every Congress thereafter until 1914; in that year the Palmer-Owen bill was introduced. This bill made it a misdemeanor for the producer to put into interstate commerce "the produce of any mine or quarry where children under sixteen were employed, or in which children between fourteen and sixteen were employed more than eight hours a day, or between seven o'clock at night and seven o'clock in the morning." The bill was passed in the House February 15, 1915, but was defeated in the Senate. The Keating-Owen bill, which repeated in substance the Palmer-Owen bill, was passed and signed by the President, September 1, 1916. This act was enforced by the Children's Bureau until it was declared unconstitutional June 3, 1918.⁸

The Bureau was also given the responsibility for administering the federal aspects of the Sheppard-Towner Act of 1921, officially known as the Maternity and Infant Hygiene Act. This Act made federal funds available to states that accepted certain minimum standards. Under it each state received \$5000 outright and an additional \$5000 if matched. The balance of the federal funds was distributed on the basis of population. The funds spent on this act for each year of its operation were as follows:

1923	1924	1925	1926	1927	1928
\$716,333.40	\$877,122.04	\$932,754.69	\$947,959.59	\$977,866.97	\$919,075.78

⁷ Grace Abbott, *From Relief to Social Security* (Chicago: University of Chicago Press, 1941), "Children and the Depression," pp. 161-98.

⁸ Raymond G. Fuller, *Child Labor and the Constitution* (New York: Crowell, 1923), pp. 236-39.

The Bureau established a Maternity and Infant Hygiene Division to administer the act. This division kept in touch with the states through reports, staff visits to the states, and the annual conference of the state bureaus and divisions in charge of state administration. Reports from the states included budgets and plans submitted to the Bureau, an annual report on activities, and semi-annual financial reports. During 1928 ten persons were employed full time in this division (four physicians, two public health nurses, one auditor, and three clerical workers).⁹

Under the Sheppard-Towner Act forty-five states, including the Territory of Hawaii, provided many maternal and infant welfare services. These included local demonstration programs, clinics for prenatal care, lessons for midwives, and the inspection of maternity homes. Despite the great need for such programs the Bureau had to exercise constant vigilance in order to protect standards. There was intense opposition to the Act¹⁰ and, as a result, the program was discontinued in 1929 for lack of appropriations.

With the passage of the Social Security Act in 1935 the Bureau became once again an administrative agency in the public welfare field. Indeed, Title V of the Act constituted in effect a revival of the Sheppard-Towner Act. Originally it appropriated \$3,800,000 annually for maternal and child health. These services were made available to the states in the following manner:

1. Each state received \$20,000 a year, regardless of population.
2. \$1,800,000 was appropriated annually according to the number of live births in each state as compared with the country as a whole.
3. An additional sum of \$980,000 was to be distributed according to the financial need of the states, taking some account of the number of live births.

In order to receive these funds certain provisions of the federal law had to be met by the states. These were: (1) the state had to assume some financial support for the program; (2) the plan had to be administered or supervised by the state public health agencies; (3) the state plans had to provide for efficient administration; (4) reports from the local health units had to be made as required; (5) the state had to provide for "the extension and expansion of local

⁹ *The Promotion of the Welfare and Hygiene of Maternity and Infancy: The Administration of the Act of Congress of November 23, 1921* (Bureau Publication, No. 194, of the United States Children's Bureau, 1929).

¹⁰ Edith Abbott, "Grace Abbott: A Sister's Memories," *Social Service Review*, Vol. XIII, No. 3 (September, 1939), p. 403.

maternal and child health units"; (6) the plan had to provide for cooperation with medical, nursing, and health groups; and (7) demonstration units had to be provided in special cases of need.

The Bureau was also given responsibility for the administration of federal grants under the Social Security Act for services for crippled children. The Act originally provided for an annual appropriation of \$2,850,000 for this purpose. Each state was to receive \$20,000 a year outright, the remainder to be apportioned by the Bureau on the basis of relative need. The states were required, as a maximum financial effort, to match the federal funds. The funds were to be spent, among other things, for "locating crippled children, and for providing medical, surgical, corrective and other services and care and facilities for diagnosis, hospitalization and after-care, for children who are crippled." In addition there were other requirements similar to those for maternal and child health.

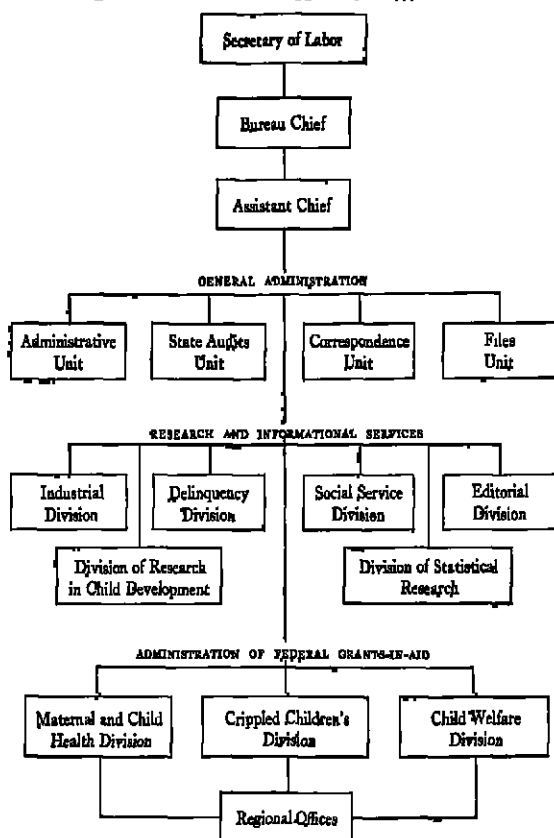
Likewise the Bureau was given responsibility for a child welfare services program. This part of the Social Security Act provided federal funds to the states for the development of programs for neglected children, especially in rural areas. Each state received a minimum of \$10,000 annually, the rest to be allotted according to the proportion of rural population in the state to total population in the country.¹¹

The table on page 248 shows the administrative organization of the Children's Bureau in 1940. It can be seen that the research and informational activities have been carried on in six divisions while four units have been concerned with general administration. Three divisions — Maternal and Child Health (including a Public Health Nursing Unit), Crippled Children, and Child Welfare have administered federal grants-in-aid to the states. Field service had been provided through regional field offices.

As has been previously noted, the Bureau was established in the Department of Commerce and Labor and became a part of the independent Department of Labor created in 1913. Since the enactment of the Social Security Act there was a great deal of discussion relative to the transfer of the bureau to the Federal Security Agency. This was finally accomplished in 1946. It is now one of the operating bureaus of the Agency, but its general pattern of administration has not been changed.

¹¹ Committee on Economic Security, *Social Security in America*, Social Security Board Publication, No. 20 (Washington: Government Printing Office, 1937), pp. 287-98.

 Organization of the United States Children's Bureau, 1940

**VOCATIONAL REHABILITATION**

Vocational rehabilitation is an educational service closely associated with public welfare. The first federal vocational rehabilitation act was passed in 1920. It appropriated \$750,000 for the first year and \$1,000,000 annually for the next three years. Each state was required to at least match the federal funds which were apportioned

on the basis of population. The act was designed for "the maintenance of vocational rehabilitation of disabled persons and their return to civil employment."¹¹ Federal administration was placed in the hands of the Federal Board for Vocational Education.

Certain requirements had to be found in the state plan in order for the state to share in federal grants. In the first place, the federal act had to be accepted by the state either by legislation or a proclamation of the governor. In the second place, the Board had to approve the state plan for administration. In the third place, in those states with workmen's compensation laws a cooperative arrangement had to be worked out between the board of vocational rehabilitation and the state workmen's compensation commission. Apparently this requirement did not assure cooperation. Joseph E. Baldwin, in a study of this relationship in Iowa, found that the state workmen's compensation agency had referred only five cases for rehabilitation between 1930 and 1936.¹²

The original act was amended three times from 1920 to 1937. The original appropriation expired June 30, 1924, although in October, 1923, the Board had secured President Coolidge's approval of a four-year extension with the same annual appropriation. The Rehabilitation Act of 1924 amended the original act so as to authorize annual appropriations of \$1,034,000 for six years beginning July 1, 1924. Another extension was granted in 1930, less than one month before appropriations expired. The act was again extended for a four-year period from July 1, 1933, to June 30, 1937.¹³

Thus far federal grants for vocational rehabilitation had not been placed on a permanent basis. The proposed Social Security Act offered an excellent basis for doing so. When the House held hearings on the bill in January, 1935, Edwin E. Witte, Executive Director of the Committee on Economic Security, was questioned about the relationship between vocational rehabilitation and the proposed bill. He explained that vocational rehabilitation had not been included in the bill because an existing federal agency was dealing with the subject.¹⁴ Immediately, various amendments were proposed to include it under the bill.

¹¹ Joseph E. Baldwin, "Vocational Rehabilitation of Workmen's Compensation Cases in Iowa" (Unpublished M.A. dissertation, University of Chicago, 1937).

¹² Oscar M. Sullivan and Kenneth O. Shortum, *Disabled Persons: Their Education and Rehabilitation* (New York: Century, 1926), pp. 23-27; Mary E. MacDonald, *Federal Grants for Vocational Rehabilitation* (Chicago: University of Chicago Press, 1944), pp. 57-77.

¹⁴ MacDonald, *op. cit.*, pp. 81-87.

As finally passed, the Social Security Act contained provisions for permanent annual grants for vocational rehabilitation of \$1,938,000 a year, an increase of slightly more than 75 per cent. In addition funds for federal administration were increased from \$80,000 to \$102,000 per year. The Social Security Act did not amend the Vocational Rehabilitation Act, it merely granted additional funds for it. The Social Security Act, however, accomplished three objectives that vocational rehabilitation officials had sought for many years. These were: (1) a permanent authorization of funds, (2) increased funds for rehabilitation, and (3) increased funds for federal administration. The amendments of 1939 authorized appropriations of \$3,500,000 a year for grants to the states, set a minimum of \$20,000 to be allotted to any state, and authorized an annual appropriation of \$150,000 for federal administration. The basic legislation remained the Vocational Rehabilitation Act. Under these amendments the mentally as well as the physically handicapped may be aided. In addition, provision was made for war-disabled civilians, including merchant seamen, who were injured in line of duty. Services are available to those discharged by the armed forces with non-service-connected disabilities and are not eligible to vocational rehabilitation under the Veterans' Administration. Also the blind were included for the first time. Appropriations were liberalized and the federal government was permitted to assume all necessary state administrative costs. The aim of these amendments, known as the Barden-La Follette Act, is the return of the handicapped to as close to full work capacity as possible.

The Barden-La Follette Act established the Office of Vocational Rehabilitation as a constituent part of the Federal Security Agency. This office is responsible for the establishment and maintenance of standards for vocational rehabilitation; for consultation with the state agencies; and for approval of state plans and the allocation of federal funds to the states. Plans in the states include the following factors:

1. Early location of persons in need of rehabilitation to prevent the disintegrating effects of idleness and hopelessness.
2. Medical diagnosis and prognosis coupled with a vocational diagnosis as the basis for determining an appropriate plan for the individual.
3. Vocational counseling to select suitable fields of work by relating occupational capacities to job requirements and community occupational opportunities.
4. Medical and surgical treatment to afford physical restoration and medical advice in the type of training to be given and in the work tolerance of the individual.

5. Physical and occupational therapy and psychiatric treatment as a part of medical treatment where needed.
6. Vocational training to furnish new skills where physical impairments incapacitate for normal occupations, or where skills have become obsolete.
7. Financial assistance to provide maintenance and transportation during training.
8. Placement in employment to afford the best use of abilities and skills in accordance with the individual's physical condition and temperament, with due regard to safeguarding against further injuries.
9. Follow-up on performance in employment to afford adjustments that may be necessary; to provide further medical care if needed; and to supplement training if desired.¹⁵

PUBLIC HEALTH SERVICE

The name, United States Public Health Service, was given to a unit of the Treasury Department in 1912, but the basic activities of the service were established by Congress during the period 1799 to 1879. By 1880 the service was concerned with the conduct of maritime quarantine, control measures for epidemics, quarantine regulations for the prevention of the introduction of cholera, collection of sanitary data, and cooperation with state and local authorities. In 1887 the Hygienic Laboratory was established to investigate contagious and infectious diseases; this was the real beginning of the work of the service in scientific research. In 1901 the Laboratory was given a building and its main work divided into four divisions: (1) chemical, (2) biological, (3) pharmaceutical, and (4) pathological.

In 1901 a Division of Scientific Research was established, and in 1902 Congress passed a law requiring that establishments manufacturing biological products should be inspected by the service. Between 1901 and 1912 the service steadily increased its work and undertook the following projects: investigation regarding Rocky Mountain spotted fever, studies of milk in relation to public health, studies of Mexican typhus fever, and sanitary surveys of the pollution of navigable waters.

The law of 1912 creating the service declared that the Public Health Service "may study and investigate the diseases of man and conditions influencing the propagation and spread thereof, including sanitation and sewage and the pollution either directly or indirectly

¹⁵ Michael J. Shortley, "Rehabilitation Under the Barden-La Follette Act," *Proceedings of the National Conference of Social Work, 1944*, pp. 297-98.

of the navigable streams and lakes of the United States, and it may from time to time issue information in the form of publications for the use of the public." This marked the beginning of a new period in the expansion of the federal government's role in public health activities. So far as has been possible the service has endeavored to cooperate with and meet the demands of state authorities in the investigation of interstate public health matters. The primary responsibility for public health has remained with the state and local governments. Unfortunately public health services have received a relatively small share of local and state appropriations.

The public health responsibilities of the federal government have been lodged in numerous departments and bureaus. The following have been the main federal health agencies: United States Public Health Service, Children's Bureau, Bureau of the Census, Office of Education, Food and Drug Administration, and Bureau of Animal Industry.

The Committee on Economic Security recognized sickness as a major cause of insecurity and declared that the prevention of disease was the most humane and least expensive method of dealing with the problem. The expansion of certain public health services was, accordingly, included in the Social Security Act which appropriated \$8,000,000 annually for this purpose. These funds were allocated to local health districts for establishing and maintaining adequate public health services. The Surgeon General of the Public Health Service was made responsible for the administration of the grants to the states. The amounts allocated are determined on the basis of population, financial needs of the states, and special public health problems. In general the funds are used in the states for the following purposes: (1) to strengthen existing service divisions in state departments of public health; (2) to assist in the promotion and supervision of full-time local health organizations; (3) to give financial aid for local health departments; (4) to assist in the development of trained public health personnel; and (5) to aid in the purchase of essential public health supplies, especially "for individual immunization and other preventive aspects among the poor."

The Service has four principal administrative units: Office of the Surgeon General, the National Institute of Health, the Bureau of Medical Services, and the Bureau of State Services. The National Institute of Health contains the National Cancer Institute and divisions concerned with infectious diseases, physiology, pathology, chemistry, zoology, biologic control, and industrial research. The Bureau of Medical Services has responsibility for the care of legal

beneficiaries of the service and for foreign and insular quarantine activities. It has three divisions — hospital, mental hygiene, and foreign quarantine. The Bureau of State Services administers grants-in-aid to the states, engages in cooperative work with state health departments, and supervises interstate quarantine functions. There are three divisions in this bureau: state relations, venereal disease, and industrial hygiene.¹⁶

When the Federal Security Agency was created July 1, 1939, the Service was placed under it. There is, however, no unified national public health service. In fact, it has been estimated that forty to fifty federal agencies participate in one way or another in public health activities. That an over-all national service is needed seems self-evident.

Public health is so closely related to public welfare that a public welfare program cannot be considered as completely isolated from the public health services. Modern programs signify that the health of the individual has become the concern of society.¹⁷ Currently, any health problem is regarded as a public health problem if "it is of such character or extent as to be amenable to solution only through systematized social action."¹⁸ Public health services, therefore, are not limited to prevention, but include malnutrition as well as communicable diseases. If this were their actual scope many persons who are now dependent because of faulty diet and poor living conditions would become self-supporting individuals.

BUREAU OF PRISONS

The federal prison system, another service closely related to public welfare, is the largest single prison system in the world and also the youngest penal system in America. The Bureau of Prisons of the Department of Justice was created by act of Congress on May 14, 1930. Today the Bureau, thanks to the leadership and ability of Sanford Bates, the first director, and James V. Bennett, his successor, sets the standards for prison management in the United States.

Prior to 1890 there were no federal institutions for federal prisoners; instead the prisoners were boarded at state prisons. From 1890 to 1930 there was a diffused penal policy and an uncoordinated ad-

¹⁶ Committee on Economic Security, *op. cit.*, pp. 315-42.

¹⁷ For a discussion of the point see Robert W. Kelso, *The Science of Public Welfare* (New York: Holt, 1928), pp. 384-402.

¹⁸ Harry S. Mustard, M.D., article on "Public Health" in *The Social Work Year Book*, 1945, pp. 328.

ministration. A committee of the House of Representatives, after visiting the federal prisons at Atlanta and Leavenworth, stated that "not only do these institutions house more than can properly be accommodated, but they have almost reached their absolute physical capacity, and the committee does not see how any more prisoners can be jammed within the walls." During 1919 it became apparent that prompt congressional action was demanded. A prison riot at Leavenworth led to the transfer of temporary housing facilities from military reservations. These camps did more than relieve the overcrowding in the prisons, they also demonstrated that a large number of men formerly placed behind high walls did not require such restraint. Escapes were negligible.

When the Bureau was created in 1930 treatment, rather than confinement and incarceration, became the keynote in penal management. Congress stated that the Bureau was to provide "a widely diversified program of classification, medical care, industries, education, recreation, welfare and religious activities." These factors were to be stressed in addition to the maintenance of custodial restraint, the operation of a probation and parole service, the administration of a jail inspection service for nonfederal jails where federal prisoners were temporarily detained, and the guardianship of juvenile delinquents.

The administration of the Bureau is the responsibility of the Director and three Assistant Directors appointed by the Attorney General. One of the Assistant Directors has charge of fiscal matters, a second is in charge of prison industries, and the third supervises services relating to classification and rehabilitation. The United States Parole Board is associated with the Bureau, but is not subject to the Director's authority. A Medical Director, an official of the United States Public Health Service, is also associated with the Bureau. The Board of Directors of the Federal Prison Industries, Inc. (composed of five members representing private industry, labor, agriculture, the public, and the Department of Justice) supervises all production industry in the federal prisons.

Under the Director are divisions which administer the jail inspection service; statistical research; maintenance of files; accounting and fiscal matters; construction; social service; education, library, recreational, and religious activities; medical, dental, and psychiatric services; and probation and parole. In addition there are the employees in the field, the wardens and superintendents, professional workers, and custodial officers. In all there are approximately 3500 full-time employees in the prison service. Some 1600

are members of the various custodial forces, approximately seven hundred do clerical or maintenance work, and about one thousand are engaged in some form of rehabilitation work, and the rest are employed in miscellaneous assignments.

The Bureau is controlled directly from Washington, hence, it is able to maintain uniform standards throughout the entire program. Most supplies are centrally purchased, all construction projects are ordered, training programs for all personnel originate and are disseminated, and all public relations are conducted through Washington.

In a typical pre-war year (1940) there were 20,345 inmates in federal prisons on the first day of the year. A total of 27,716 prisoners were received during the year. During the year the sentence of 11,509 prisoners expired; 8155 were conditionally released; 2951 were paroled; 129 died; 69 escaped; 110 juveniles were runaways; 4677 were transferred to other institutions; and 965 were otherwise discharged. During the year a total of 28,565 were discharged.

During 1940 the prisoners committed the following types of crimes: kidnapping (1.16%), interstate commerce (1.83%), white slavery (1.94%), counterfeiting and forgery (5.84%), immigration act (6.40%), postal laws (7.54%), narcotics (8.61%), national motor vehicle act (8.64%), liquor law violation (45.45%), and all other crimes (13.59%). Only .04% were lifers; 31.89% were sentenced for ten years and over; 1.08% were minors held pending their twenty-first birthdays; 4.02% were sentenced for five years, but less than ten years; 18.52% were sentenced for one year and a day; 33.83% were sentenced for one year and under; and 41.62% were sentenced for over one year and one day, but less than five years.

The following are the institutions of the Bureau of Prisons:

PENITENTIARIES

- | | |
|--|---|
| 1. United States Penitentiary
Alcatraz Island, California
<i>For intractable offenders.</i> | 4. United States Penitentiary
Lewisburg, Pennsylvania
<i>For older improvable offenders.</i> |
| 2. United States Penitentiary
Atlanta, Georgia
<i>For habitual tractable offenders.</i> | 5. United States Penitentiary
MacNeil Island, Washington
<i>For older improvable offenders.</i> |
| 3. United States Penitentiary
Leavenworth, Kansas
<i>For habitual intractable offenders.</i> | 6. United States Penitentiary
Terre Haute, Indiana
<i>For older improvable offenders.</i> |

REFORMATORIES

- | | |
|---|---|
| 1. Federal Reformatory
Chillicothe, Ohio
<i>For younger improvable offenders.</i> | 2. Federal Reformatory
El Reno, Oklahoma
<i>For younger improvable offenders.</i> |
|---|---|

- | | |
|--|---|
| 3. Federal Reformatory
Petersburg, Virginia
<i>For younger improvable offenders.</i> | 4. Federal Reformatory for Women
Alderson, West Virginia
<i>For female offenders.</i> |
|--|---|

MEDICAL CENTER

1. Medical Center for Federal Prisoners, Springfield, Missouri. *For physically and mentally maladjusted prisoners.*

CORRECTIONAL INSTITUTIONS

- | | |
|--|---|
| 1. Federal Correctional Institution
Ashland, Kentucky
<i>For short-term offenders.</i> | 5. Federal Correctional Institution
Milan, Michigan
<i>For short-term offenders.</i> |
| 2. Federal Correctional Institution
Danbury, Connecticut
<i>For short-term offenders.</i> | 6. Federal Correctional Institution
Sandstone, Minnesota
<i>For short-term offenders.</i> |
| 3. Federal Correctional Institution
Englewood, Colorado
<i>For younger improvable offenders.</i> | 7. Federal Correctional Institution
Tallahassee, Florida
<i>For short-term offenders.</i> |
| 4. Federal Correctional Institution
La Tuna, Texas
<i>For short-term offenders.</i> | 8. Federal Correctional Institution
Texarkana, Texas
<i>For short-term offenders.</i> |

TRAINING SCHOOL

1. National Training School for Boys, Washington, D.C. *For male juvenile delinquents.*

DETENTION HEADQUARTERS

- | | |
|--|---|
| 1. Federal Detention Headquarters
New Orleans, Louisiana
<i>For offenders awaiting trial and short-term offenders.</i> | 2. Federal Detention Headquarters
New York City
<i>For offenders awaiting trial and short-term offenders.</i> |
|--|---|

PRISON CAMPS

- | | |
|---|---|
| 1. Federal Prison Camp
McNeil Island, Washington
<i>For improvable offenders, minimum-custody type.</i> | 3. Federal Prison Camp
Mill Point, West Virginia
<i>For improvable offenders, minimum-custody type.</i> |
| 2. Federal Prison Camp
Columbia Camp, Washington
<i>For improvable offenders, minimum-custody type.</i> | 4. Federal Prison Camp
Montgomery, Alabama
<i>For improvable offenders, minimum-custody type.</i> |
| 5. Federal Prison Camp, Tucson, Arizona. <i>For improvable offenders, minimum-custody type.</i> ¹⁰ | |

¹⁰ Adapted from *Gearing Federal Prisons to the War Effort* (Washington: United States Bureau of Prisons, 1942); *Federal Prisons, 1947* (Washington: United States Bureau of Prisons, 1948); and Fred E. Haynes, *The American Prison System* (New York: McGraw-Hill, 1939).

OFFICE OF INDIAN AFFAIRS

The Indian Service has as its responsibility the protection of the interests of 400,000 Indians and Eskimos in the United States and Alaska, primarily by assisting them in becoming economically independent. Such a policy, which has been followed only in recent years, has made the Office of Indian Affairs a public social service.

In 1830 relentless agitation by the white people and the political cooperation of President Andrew Jackson resulted in the passage of the Indian Removal Bill. This bill provided the administrative machinery, the funds, and the authority for the removal of all Indians living east of the Mississippi River. In the west the eastern Indians met the hostility of the native tribes, which was heightened because of the absence of a competent governmental authority to exercise supervision over them.²⁰

The welfare of the Indians in the early years was left largely to the missionaries. Various denominations were in competition with one another and in spite of the labors of these zealous workers, the results were meagre.²¹ In addition the Indians were deprived of their lands. In 1887 they still retained over 130,000,000 acres of land which, by 1933, had been reduced to some 49,000,000 acres. The land acquired from the Indians by the whites was the most desirable. Thus, even with the most efficient husbanding of resources in many areas the Indians are not able to provide a decent livelihood for themselves. Resources cannot be augmented rapidly enough to support a population which is increasing. Thus Indians must be helped in order to find economic opportunity. So long as Indians have to exist below the subsistence level on poverty-stricken reservations the Indian Service will not be able to fulfill its purpose. The Indian policy was defined in 1938 by John Collier, then Commissioner of Indian Affairs, as follows: "so productively to use the moneys appropriated by the Congress for the Indians, as to enable them, on good, adequate lands of their own, to earn decent livelihoods and lead self-respecting, organized lives in harmony with their own aims and ideals, as an integral part of American life."²²

The Office of Indian Affairs, which is part of the Department of the Interior, has jurisdiction over more than fifty-six million acres

²⁰ Grant Foreman, *Indians and Pioneers* (New Haven: Yale University Press, 1930) and *Advancing the Frontier, 1830-1860* (Norman: University of Oklahoma Press, 1933).

²¹ Foreman, *Advancing the Frontier*, p. 141.

²² *Annual Report of the Secretary of the Interior, 1938*, p. 210.

of land. Of this land seven million acres is classified as agricultural, valued at \$90,000,000; forest lands of more than sixteen million acres are valued at approximately \$170,000,000; and open grazing land of some thirty-two million acres valued at \$90,000,000. Homes and farms on these lands are very poor, and the total valuation of all buildings on these lands is not more than \$15,000,000.

Education for the Indians is provided by the Office. During the war years there was a progressive decrease in school attendance at all levels. Many of the cities that attracted Indians for war industry were seriously overcrowded and, as a result, housing and school facilities, especially for the Indians, were inadequate. Since the war most of them have returned to the reservations.

The Indian Service is the only agency that makes available to its clientele complete medical attention throughout the individual's life. Health services for Indians include health education, disease and accident prevention, palliative treatments, rehabilitation, and sanitation. The Service maintains seventy-seven hospitals with a bed capacity of 4064. In addition it has contracts with a number of state, county, and private hospitals. During 1944, 750,000 outpatient treatments were given and 40,000 patients were hospitalized for a total of 865,000 in-patient days. Forty per cent of these cases involved operations, more than half of which were major. A conservative estimate of the annual value of these services would be no less than \$15,000,000.

Despite the employment opportunities of the war years, it was necessary to give relief to many needy Indians. Although the number of cases was reduced, available funds were insufficient. The relief problem in coming years will be more serious. Indians, as American citizens, are presumably eligible for public assistance in the states where they reside. But there are innumerable problems in the establishment of their eligibility and, particularly, in the determination of their needs.²²

The Indian Service, which has only been sketchily described in this chapter, is a large organization with approximately 8000 regular and 4500 temporary employees. An Indian Agency has been set up for each tribe to provide social services to individuals and families. As long as Indians remain on reservations they are going to require innumerable special services and, as long as economic opportunities for them remain scarce, federal expenditures will probably not be decreased.

²² *Annual Report of the Secretary of the Interior, 1945*, pp. 233-50.

VETERANS ADMINISTRATION

The Veterans Administration may soon become one of the largest federal welfare services. Designed to serve a special clientele with the benefits based not merely upon need, but also upon past military service, it is a major public social service.

The Veterans Administration was established July 21, 1930, to consolidate under single control all federal agencies dealing exclusively with veterans' affairs. It is an independent agency, not affiliated with any of the established departments of government. Therefore the Administrator is responsible directly to the President.

Prior to the establishment of the Veterans Administration there were several federal agencies administering veterans' affairs. When it was created the Bureau of War Risk Insurance was abolished and its powers and duties given to the Administrator. At the same time duties relating to the vocational training of veterans were given to him and the authority pertaining to medical care for veterans was also transferred from the United States Public Health Service. The United States Veterans Bureau, the Bureau of Pensions of the Department of Interior, and the National Home for Disabled Soldiers became a part of the Administration.²⁴

The Administration has as its primary purpose the administration of benefits provided by law to veterans and their dependents. These include medical care, hospital treatment, domiciliary care, pensions, compensation, vocational rehabilitation, education, guarantee of loans, readjustment allowances, and insurance. The organization consists of the central office in Washington and thirteen branch offices throughout the United States, each under the direction of a deputy administrator. Field stations (which include regional offices, sub-regional offices, and contact units) are under the jurisdiction of the branch offices.²⁵

There are twenty million potential clients of the Veterans Administration. Currently it is operating the largest insurance business, the biggest chain of hospitals, the greatest pension and claims service, and the most extensive educational program in the country.

It furnishes medical care for veterans with service-connected disabilities. In addition, indigent veterans may be given treatment for non-service-connected illnesses if there is a vacancy in a hospital.

²⁴ Gerald Monsman, "Federal Legislation," *Annals (of the American Academy of Political and Social Science)*, Vol. 239 (May, 1945), pp. 38-45.

²⁵ Charles Hurd, *The Veterans' Program* (New York: McGraw-Hill, 1946), pp. 205-15.

Approximately 55 per cent of all hospitalized veterans are neuropsychiatric cases, for whom thirty-three hospitals now exist, with two under construction, eleven more to be constructed, and one to be acquired from the Navy. In addition there are mental convalescent centers and mental hygiene clinics. The Administration is also operating fourteen tuberculosis hospitals and forty tuberculosis departments treating more than 8800 patients. There are also sixty-seven general medical and surgical hospitals. The Administration has organized a prosthetic service and will buy the veteran any appliance he chooses and is now establishing a repair service for these devices. A rehabilitation service is maintained so that veterans have a chance to explore post-hospitalization employment while still patients. Also a large outpatient and dental service is provided.

The Administration manages an extensive vocational rehabilitation and educational service. Under both the Vocational Rehabilitation Act (for disabled veterans) and the Servicemen's Readjustment Act (the "G.I. Bill"), eligible veterans may obtain education or training at governmental expense. Vocational rehabilitation is provided for veterans with service-incurred or aggravated disabilities who are found to need such training to restore their employability.

Loans are guaranteed for veterans by the Administration. An eligible veteran may negotiate a loan, through a business institution or a private lender, for home, farm, or business purposes. The Administration will guarantee the loan up to 50 per cent of the loan, or a maximum of \$4000 on real estate and \$2000 on non-real estate loans. It also conducts the world's largest system of mutual insurance; from 1940-1946 it wrote more than eighteen million National Service Life Insurance policies, having a face value of almost one hundred and fifty billion dollars. Almost one-third of this amount is still in force. In addition \$2,375,000,000 worth of United States Government Life Insurance is still in force on the lives of 550,000 veterans of World War I.²⁸

SOCIAL SECURITY

The Social Security Act established a new federal agency in the public welfare field, the Social Security Board. It was given direct administrative responsibility for old-age insurance and general supervision over unemployment compensation and the public assistance programs administered by the states. Three Board members re-

²⁸ Adapted from material made available by Theodore Zillman, Office of Veterans Affairs, University of Wisconsin.

ceived annual salaries of \$10,000, and it was specified that not more than two were to belong to the same political party and they were to give full time to the affairs of the board. They were to serve for six years, except that one of the first appointees served for two and another for four years. The Board was empowered to organize a staff, fix compensation and appoint attorneys and experts without regard to civil service laws.

Actually, a large part of the administrative and executive duties were handled by the Executive Director. Thus, the Board was largely — although by no means exclusively — policy-making. The work of the various bureaus, for example, was supervised by the Executive Director and all lines of responsibility between executive and administrative personnel passed through his office. Also, the Executive Director was responsible for the conduct of Board activities with the states.

For administrative purposes the country was divided into twelve regions with a Regional Director responsible directly to the Executive Director. Originally, the Regional Directors were appointed by the President during May and June, 1936, and shortly thereafter the regional offices were established. Regional Directors were given general supervision of all the Board's activities in the region, including the relationship with the states and the direct operation of old-age insurance.

The Social Security Board followed the bureau structure of organization developed by the old-line federal departments. Each bureau was headed by a director, responsible to the Board through the Executive Director. Directors determined bureau policy, subject to final approval by the Board. Two kinds of bureaus — operating and service — were established. The three operating bureaus corresponded to the divisions of the basic law, Old-Age Insurance, Unemployment Compensation, and Public Assistance. The service bureaus included Accounts and Audits, Business Management, Informational Service, and Research and Statistics. In addition, a General Counsel's Office and the Office of the Actuary were established.²⁷

When the Board was first set up there was a demand for immediate action in respect to state plans, many of which were already in existence. Plans for public assistance came from the states as early as December, 1935, before the regional offices were established and by February, 1936, thirty-eight state plans were approved. In unem-

²⁷ Richard E. Wyatt and William H. Wandel, *The Social Security Act in Operation* (Washington: The Graphic Arts Press, 1937), pp. 15-29.

ployment compensation there was a somewhat slower start. Wisconsin was the only state with an unemployment compensation law prior to the passage of the federal act and only fifteen states adopted unemployment compensation laws during 1935 and 1936. After the presidential election in 1936, however, there was an avalanche of laws passed in special sessions.

Very early, therefore, the Board was confronted with a major issue of policy: it could have insisted that each state plan be in complete operation before federal grants were forthcoming; or it could have taken a long-range view with the expectation that a smooth-working efficient system would be developed later. It accepted the second view and, accordingly, federal funds were made available as soon as a state met the basic requirements of the federal Act.²²

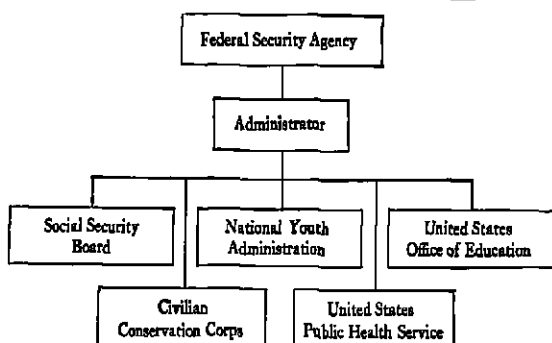
Several changes have occurred in the administrative structure of social security since the passage of the Act in 1935. The Federal Security Agency came into existence July 1, 1939, as a by-product of the Reorganization Act of 1939. The President, under this act, was directed to investigate the organization of all agencies of the federal government and authorized to submit to Congress a reorganization plan. Such a plan was to take effect sixty days after its transmittal unless in the meantime the two houses disapproved. Pursuant to the act the President submitted five plans, the Federal Security Agency being directly and specifically concerned with the first, second, and fourth.

The first plan (submitted April 25, 1939) provided for the establishment of the Federal Security Agency, and placing therein the Civilian Conservation Corps, the National Youth Administration, the Office of Education, the Public Health Service, and the Social Security Board. This plan also provided for the transfer of the functions and personnel of the United States Employment Service from the Department of Labor to the Social Security Board.

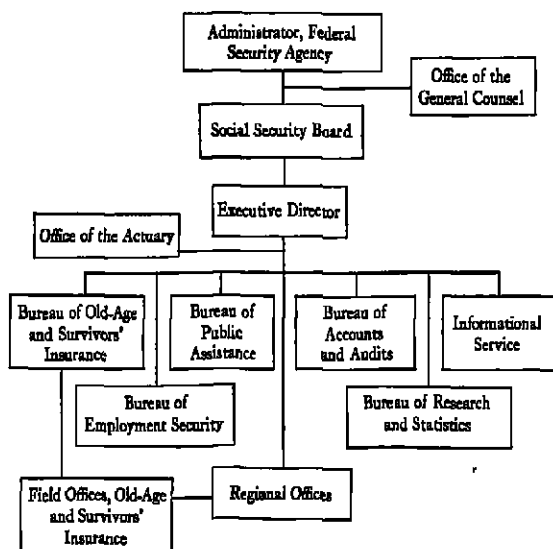
The second plan (authorized May 9, 1939) transferred to the Federal Security Agency for administration by the Office of Education, the Radio Service and provided for participation by the Agency in certain operations of the American Printing House for the Blind. The fourth and final plan (authorized June 30, 1940) transferred to the Agency the Food and Drug Administration, except those functions relating to the administration of the Insecticide Act of 1910 and the Naval Stores Act. Also the activities of the Department of

²² Frank Bane, "The Social Security Board and State Organizations," *Annals* (of the American Academy of Political and Social Science), Vol. 202 (March, 1939), pp. 137-44.

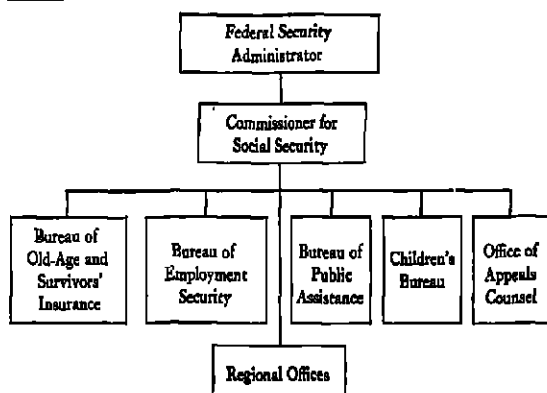
 Organization of the Social Security Board, 1940



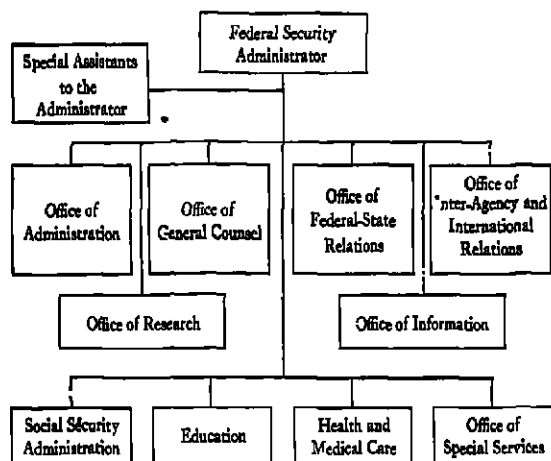
 Organization of the Federal Security Agency, 1940



 Organization of the Social Security Administration, 1948



 Organization of the Federal Security Administration, 1948



Interior relating to St. Elizabeth's Hospital, Freedman's Hospital, Howard University, and the Columbia Institution for the Deaf were so transferred.²⁹

The establishment of the Federal Security Agency was at this time of very little significance in the administration of social security. The Board remained intact and the routine administration continued, as in the past, through the Executive Director, the directors of bureaus, and the regional offices. According to the plan the Administrator of the Federal Security Administration was interposed between the Chairman of the Board and the President. It meant that the board ceased being an independent agency and became part of a large unit which should have been a federal department of social welfare rather than the Federal Security Agency. Although the change meant little to the Board at that time it called attention to the great need for reorganization, coordination, and integration of all federal health, welfare, and education agencies. This was to come in a more pronounced form in 1946.

On July 16, 1946, the Federal Security Agency was reorganized pursuant to President Truman's Reorganization Plan, Number Two.³⁰ The Social Security Administration was established as one of the four operating branches of the Agency under the direction of Watson B. Miller, Federal Security Administrator.

The Social Security Administration includes the three programs for which the Social Security Board has responsibility — old-age and survivors' insurance, unemployment compensation, and public assistance. In addition the activities of the Children's Bureau transferred from the Department of Labor have been given to the Social Security Administration. Arthur J. Altmeyer, formerly Chairman of the Social Security Board, became Commissioner for Social Security and William L. Mitchell, formerly Assistant Executive Director, became Deputy Commissioner.

Education, Health and Medical Care, and Special Services are the other three operating branches of the Agency. The former Office of Education and the American Printing House for the Blind, Columbia Institution for the Deaf, and Howard University compose the Education Branch. The Health and Medical Care Branch includes the United States Public Health Service, St. Elizabeth's and Freedmen's hospitals, and the Division of Vital Statistics (formerly a part of the Bureau of Census, Department of Commerce). Grouped under Special Services are the Food and Drug Administration,

²⁹ *First Annual Report of the Federal Security Administration, 1940*, p. 102.

³⁰ H. R. Document, No. 595, 79th Cong., 2nd Sess.

Office of Vocational Rehabilitation, Office of War Property Distribution, the U.S. Employee's Compensation Commission, and the newly created Appeals Board.¹¹

The organization of the agency and the Social Security Administration is explained in the accompanying charts. Although each one of the branches is headed by a commissioner who is directly responsible to the administrator it is expected that the day-to-day activities of the services will be decentralized. It is also expected that the Federal Security Agency will eventually be made into a Department of Health, Welfare, and Education with a Secretary in charge.

Selected Bibliography

Grace Abbott, *From Relief to Social Security* (Chicago: University of Chicago Press, 1941).

—. *The Child and the State*, Vol. II (Chicago: University of Chicago Press, 1938).

Committee on Economic Security, *Social Security in America*, Social Security Board Publication, No. 20 (Washington: Government Printing Office, 1937).

Grant Foreman, *Indians and Pioneers* (New Haven: Yale University Press, 1930).

Raymond G. Fuller, *Child Labor and the Constitution* (New York: Crowell, 1923).

Fred E. Haynes, *The American Prison System* (New York: McGraw-Hill, 1939).

Charles Hurd, *The Veterans Program* (New York: McGraw-Hill, 1946).

Mary E. MacDonald, *Federal Grants for Vocational Rehabilitation* (Chicago: University of Chicago Press, 1944).

Report of the President's Committee on Administrative Management (Washington: Government Printing Office, 1937).

Richard E. Wyatt and William H. Wandel, *The Social Security Act in Operation* (Washington: Graphic Arts Press, 1937).

¹¹ "Federal Security Agency Organizational Changes," *Social Security Bulletin*, Vol. 9, No. 8 (August, 1946), pp. 2-3.

14. State Public Welfare Agencies

FEDERAL-STATE RELATIONSHIPS

In discussing the role of the federal government in relation to the states it is well to recognize the type of government we have in these United States. Our government is federal, that is, the powers of government are divided between the nation and the states. This distribution has been made by the Constitution and cannot be altered by national or state legislation. The powers given to the national government are enumerated, with the assumption that authority not so delegated remains with the states.

Some students of government have noted that the use of the term *state* may be misleading in describing American government. A state is usually a unit of government "possessing full powers of sovereignty and recognized as a regular member of the family of nations." This concept is not applicable to the American states. These students think that this "confusion in terminology" might have been avoided if the states had followed the example of Kentucky, Massachusetts, Pennsylvania, and Virginia, all of which are officially known as commonwealths. The term *commonwealth* refers to a separate political entity, but does not imply that this unit has complete sovereignty.¹

Whether the forty-eight jurisdictions are known as states or commonwealths is of no great importance in describing the authority of the federal government, a government of delegated powers. The government, however, is not limited to those powers expressly conferred upon it; its implied powers have become as extensive as the powers expressly conferred. During several periods in our history there have been definite national manifestations. A wave of nationalism was introduced following the Civil War and during this period the federal powers were increased as a reaction against the rights of southern states. During the twentieth century, particularly during the presidential terms of Franklin D. Roosevelt and during the New Deal, a similar expression of national authority has taken place.

¹ W. Brooke Graves, *American State Government* (Boston: Heath, Third Edition, 1947), pp. 18-19.

The assumption of authority by the federal government at the expense of the states has been accomplished not only through an expression of nationalism but in other ways as well. One of these ways has been by direct transfer of power to the government through amendments to the Constitution. The sixteenth amendment, for example, made it possible for the Congress to legislate a national income tax. Congress was given authority over the manufacture, transportation, and sale of intoxicating beverages by the eighteenth amendment. Additional authority also has been given to it through judicial interpretation. There has been a definite trend in the direction of a liberal interpretation of many powers conferred by the Constitution upon the federal government. For example, the power to regulate interstate commerce has been consistently expanded by judicial interpretation.

Federal aid given to the states for many purposes has also added, at least indirectly, to the power and authority of the federal government at the expense of the states. By means of grants-in-aid the government offered inducements to the states that led to federal supervision over activities that were formerly controlled exclusively by the states. While the actual details of administration have been left to the states the government has played an important advisory and supervisory role.²

In spite of the tremendous growth of federal authority and the dwindling of the authority of the states we still have a federal system of government. While the government may give grants-in-aid to the states for public welfare and, therefore, have a supervisory relationship with the states it does not administer the state programs. The states still have a wide range of latitude in the administration of these programs; the government merely establishes minimum standards and does not operate the state programs.

Thus the states are free to decide the type of welfare programs they wish to have. For a variety of reasons there are great differences in the programs. Some of these differences may be attributed to the fiscal capacity of the state. In general, the amount of federal funds allocated to the states depends upon the amount appropriated by the states for the services. A wealthy state, therefore, is more apt to have higher grants for public assistance than a poor state. Some states have more pronounced traditions of local government than others. New England and midwestern states, as a result, have locally ad-

² Austin F. MacDonald, *American State Government and Administration* (New York: Crowell, 1940), pp. 29-33; Frank G. Bates and Oliver P. Field, *State Government* (New York: Harper, 1928), pp. 13-43.

ministered, state supervised public assistance programs; many western states, where this tradition has not been so definite, have state administered programs.

STATE LEGISLATURES AND PUBLIC ADMINISTRATION

Under the doctrine of the separation of powers the legislative branch is the source of all administrative authority. The administrative branch is concerned with the administration of laws as passed by the legislature and interpreted by the judiciary. Thus it is the legislature which determines how the administrative branch of state government shall be organized; how its various duties shall be distributed; and what methods, policies, and procedures shall be employed by the agency. In the final analysis it is the legislature that has the responsibility for the direction and control of state administration.

State legislatures differ in the manner in which they elect to control or direct the administrative affairs of the state. The extent to which the legislature seeks by direct legislation to determine the exact administrative structure involves a number of very important issues. The main question is: Shall the legislature stop with the creation of the services, or shall it also prescribe its internal structure? Additional questions are: Shall the legislature grant to the governor, acting in his capacity as head of administration, power to determine the specific organization of the various units created by the legislature? Shall the legislature allow the departments themselves to determine their own internal structure?

In general, broad grants of power to create new administrative structures have not been conferred upon the chief executive, either by the state or federal governments. With the exception of the emergencies of World Wars I and II and the depression no such grants have been made to the President. The question of the desirability of defining the precise internal organization of departments is a different matter. The subdivisions of many of the departments of federal government are of such a technical nature that they might well be given statutory status. The creation of bureaus in the Federal Security Administration is, for example, a question of important public policy, particularly because of the agency's relations with the states. Should not the people determine, through their elected representatives in Congress, whether or not there should be separate bureaus for the federal supervision of child welfare and public assistance?

The question of personnel is a much more delicate issue. Here also we are confronted with a determination of the point at which legislative direction should cease and administrative discretion begin. In considering this question we should recognize two classes of employees: (1) those who direct the services and, therefore, have a closer and more definite relationship with the legislature; and (2) those who have subordinate positions with limited opportunities for independent action and personal discretion. For the first group of employees there seems to be little doubt that the legislature should determine the number of such positions and the authority and compensation for them. The legislature creates the agency and is responsible to the people for its operation. The executives of the agency, therefore, should be appointed by and be responsible to, the legislature, or appointed by a board which, in turn, has been created by the legislature. It does not seem necessary, however, for the legislature to exercise the same degree of control over the second class of employees. This does not mean that it should not prescribe general rules for the selection, tenure, promotion, and retirement of this class of personnel. It would seem unwise to prescribe by statute the exact numbers, specific salaries, and precise duties of subordinate personnel. It is not necessary for the legislature to pass a line-item budget specifying the compensation of each individual employee in a state department. A lump sum appropriation for the personnel of a department, leaving wholly to the discretion of the agency and the state civil service commission the precise manner of expenditure, seems to be the preferable practice.

There is also a question as to the extent to which the legislature should prescribe the rules and regulations to be followed by the agency. On the one hand, if the legislature prescribes in detail the operation of the agency it prevents the agency from adapting itself to changing conditions. On the other hand, if the agency is given rule-making powers that are exceptionally broad the agency may become in effect a part of the legislative branch of the government. The best practice seems to be for the legislature to prescribe the details of the over-all administrative organization — such as the divisional structure and the duties of the divisions — but to give to the agency the power to make the necessary rules and regulations for the operation of the various programs. Many state legislatures, however, have failed to recognize the wisdom of such a policy and still prescribe definite rules for the operation of agency programs.⁸

⁸ W. F. Willoughby, *Principles of Legislative Organization and Administration* (Washington: The Brookings Institution, 1934), pp. 113-56.

In spite of federal grants-in-aid, which are a very important factor in determining the scope and extent of our public welfare services, it should be recognized that the states are still the most important sources of authority in this field. The Social Security Administration merely prescribes minimum standards below which the public assistance programs of the states are not permitted to fall. Otherwise the states are responsible for the direction, the adequacy, the scope, and the organization of the programs.

In some instances states have complained of federal dictation, often for partisan political reasons. Some states have attempted to blame the federal government for disapproving proposals that are obviously not in conformity with the Social Security Act. Recently states have passed laws that are purposely not in conformity that have clauses stating "this act shall not take effect until approved by the federal Social Security Administration." Most of these are so-called "allotment acts" providing that recipients of old-age assistance or aid to the blind shall not have the first \$10, \$15, or \$20 of monthly income taken into consideration in determining their need. The Social Security Act states that all income and resources from whatever source must be taken into account in determining the assistance grants of recipients. Although the legislatures pass these acts knowing that they will not be approved, after disapproval legislators say to the advocates of such provisions that they are inoperative only because of the dictation of the federal government. This is not the most serious consideration of this procedure. The passage of such laws seems to surrender legislative authority to an outside agency. Acts of the state legislature should stand or fall on their own merits and should be interpreted by the state supreme court, not by a federal agency.

Disparaging comments have been made regarding the quality of American legislators since the founding of the country. While many of the statements are insignificant it must be admitted that some of them are the comments of unbiased and qualified observers. The judgment of Anthony Trollope, who came to visit America in 1861, and Charles Dickens, who was here twenty years before, may be dismissed as biased. Trollope thought that state legislatures were filled with men of inferior mentality and Dickens referred to the United States Congress as an example of "wheels that move the meanest perversion of virtuous political machinery that the worst tools ever wrought." Another foreign visitor, Harriet Martineau, made more just and accurate observations. She declared that "the best men are not in office."

On the other hand many native Americans in responsible positions have commented on the lack of ability of state legislators. Governor Emmet O'Neal of Alabama declared in 1914 "that there has been a steady decline in the average standard of ability, independence, and intelligence of the membership of our state legislatures." Professor J. R. Commons once declared that "very often the legislative body is below the average citizenship of the community."

It has been fashionable over a long period of time to speak disparagingly of our state legislatures. As Robert Luce has written we "delight in finding fault with our public servants as part of the American democratic tradition. The habit has grown on us until we are possessed by it."⁴ Responsible Americans who have been in positions to observe the work of our state legislatures have been impressed by their improvement. The late Charles McCarthy, who was Director of the Wisconsin Legislative Reference Library, was in a position to know more about state legislators than most men. He wrote that it is the custom to laugh at lawmakers as very ordinary individuals who are interested in politics, but he noted that the Wisconsin state legislature was composed of men above the average in every respect. Furthermore he declared that the Wisconsin legislature improved from year to year.⁵

Criticism should probably be directed at legislative organization and structure rather than at the caliber of individual members. Present systems are practically the same as those of a hundred years ago. In spite of the tremendous social and economic changes that have come about during that period of time we still are struggling with a legislative system designed for a simple, agrarian society. With the exception of the constitutional amendment which permitted Nebraska to adopt a unicameral legislature in 1936, we have made few fruitful attempts at state legislative reform since the adoption of the federal constitution.

The weaknesses of our present legislative system are legion. In the first place, legislatures often are large and unwieldy bodies. The size of the lower houses ranged in 1949 from thirty-five members in Delaware to 399 in New Hampshire. State senates ranged in membership from seventeen in Delaware and Nevada to sixty-seven in Minnesota. Theoretically, a large legislative body gives complete

⁴ Robert A. Luce, *Legislative Assemblies* (Boston: Houghton Mifflin, 1924), pp. 313, 298-318.

⁵ Charles McCarthy, *The Wisconsin Idea* (New York: Macmillan, 1912), p. 90.

representation, but actual practice has demonstrated that a large membership is often detrimental to representation. Large bodies are not deliberative and the individual members must surrender some of their rights to indulge in debate.

Many state legislatures use cumbersome and ineffective methods. The speaker of the lower house with his political power often becomes the dominant figure in the legislature. His power of appointment of standing committees, reference of bills to committees, and control of the committee on rules are all-powerful. Antiquated legislative rules, particularly in regard to committees, aid and abet his power.

The doctrine of the separation of powers, while excellent in theory, has led in many instances to a pronounced lack of cooperation between the legislature and the executive. This is particularly true where the governor disagrees with the legislature or belongs to a different political party than the majority of the legislators. Thus deadlocks may occur on the development of administrative policies in a state.

There often has been a failure of state legislatures to provide responsible leadership. Some people have attributed this, in part at least, to the biennial system. Others believe that it is primarily caused by the doctrine of separation of powers. It is, of course, difficult to provide leadership for a legislative body composed of two houses. Even though the governor is the head of state government and its most important official, he is denied any direct connection with the legislature.³

Numerous proposals have been made for strengthening our legislative branch of government in the states. First of all, there have been proposals for improving the quality of legislators. Many believe that a reduction in the number of members is necessary in order to accomplish this objective. A state legislature should be large enough to be representative of the electorate and should be small enough to permit deliberation without resorting to incessant committee maneuvering. The trend, however, appears to be in the opposite direction. From 1920 to 1935 only three states reduced the size of their legislatures while thirteen increased the size of their senates and seventeen increased the number in their lower houses.

Suggestions also have been made for changes in election methods with a view toward making the legislatures more representative.

³ A. E. Buck, *Modernizing Our State Legislatures*, Pamphlet Series, No. 4 (Philadelphia: The American Academy of Political and Social Science, 1936), pp. 1-12. See also *The Book of the States 1948-1949* (Chicago: Council of State Governments, 1948), p. 107.

The plurality election plan in Illinois often is cited as a good example. Illinois has a system of cumulative voting under which three representatives to the lower house are elected from each senatorial district. A voter may cast his vote for one, two, or three candidates. This system assures the minority party of approximately one-third of the seats in the lower house. Longer terms of office, recall of members, and civil service status for the legislative assistants also have been suggested.

Proposals have likewise been made to improve legislative practices, such as streamlining of the committee system with the elimination of many committees and joint committees between the two houses. Lobbying has become a major problem in many state legislatures and it has been proposed that attempts be made to regulate lobbying activities. The lobbyist is required to register in many states; to give the name of his employer and to state the specific provisions in which he is interested. In addition some states (such as Wisconsin) require the lobbyist at the close of the session to file a sworn statement of receipts and disbursements in connection with his work.

It has been suggested that the volume of legislation at a session be limited, thus improving the quality of legislation. In order to accomplish this, shorter and less frequent sessions have been proposed, and also the elimination of some private and local bills, a more extensive use of the initiative and referendum, and the organization of a legislative council to formulate a definite legislative policy. Of these proposals the one relating to the creation of a legislative council seems to be the most practical and one of the most constructive. Three states — Wisconsin, Michigan, and Kansas — created such councils prior to 1936. In general, legislative councils collect information, make investigations in regard to public policy, make studies of proposed bills, and prepare legislative programs.¹

Whatever the shortcomings of our state legislatures they are the source of the power and authority of our state and local public welfare services. They create the state public welfare authorities, make provisions for their administration, and appropriate the funds for their use. At times it may be difficult for a public welfare worker to accept the decisions of the legislature, but since state legislators, as the elected representatives of the people, determine basic public welfare policy in the states it is the public welfare worker's duty, if he wishes to remain in the state service, to execute these policies to the best of his ability.

¹ *Ibid.*, pp. 12-24.

TYPE OF STATE AUTHORITY

The state legislature in establishing a state department of public welfare has a choice of three well-known types of departments: the administrative board, the executive board, and the single administrator. The single-headed department has certain obvious advantages. Responsibility is easily fixed and there is relatively little opportunity to escape evasion of responsibility. With a board there is a somewhat different situation. Responsibility is not centered, but is diffused among five, seven, or even more individuals. There are arguments that can be advanced in favor of an executive board or commission. One of these is that added wisdom results from the consultation of numerous individuals. Another is that a board provides greater continuity than a single executive. The successor to a single executive may radically alter the program of his predecessor, but board members with overlapping terms are not faced with this problem. It is also claimed that boards permit representation of the different interests in the states — political, social, and economic. It is contended that board members bring a greater degree of democratic control to the administration; board members are not usually professional administrators and they are apt to have definite political and civic alignments which make them relatively close to the desires of the electorate.

The single executive operates without the advice or counsel of a board. He is appointed by the governor and operates on the same basis in state government as a cabinet officer in the federal service. The Illinois Department of Public Welfare^{*} is the classic example of this type of authority. The director of the department has, since 1917, been appointed by the governor and is responsible to him. Unfortunately, partisan politics has, on numerous occasions, dominated the Illinois department. Thus it can hardly be cited as typical of what might be accomplished through such an authority.

If the state decides that it prefers a board to a single executive it must then decide on the type of board. One type is the administrative board which is usually composed of three, five, or seven persons appointed by the governor (and often confirmed by the state senate). The board members are not full-time paid employees, but by law they are given administrative responsibility for the program. Very few state boards of public welfare have retained administrative power

^{*} A state authority which, since 1944, has administered primarily the welfare institutions of the state. Public assistance is administered by the Public Aid Commission which, in spite of its name, is a policy-making board.

for themselves, but some boards delegate less responsibility than others to the executive officer. In most instances the board delegates all but the policy-making functions to the executive officer and becomes a policy-making board.

An executive board is usually composed of three members appointed by the governor for definite terms. They give full time to the department on a salary basis. Usually they divide the work of the department, but operate jointly as a policy-making board. One board member, for example, may be in charge of business management, another in charge of institutions, and the third in charge of the assistance and service programs. In addition, they meet regularly as a board to determine departmental policy.

SINGLE VERSUS MULTIPLE AGENCIES

In addition to making a decision as to the type of administration the state must also decide as to whether the public welfare authority shall be multiple or single. Some states have elected to integrate all of their welfare agencies in one comprehensive unit. This was clearly the trend from 1917, when Illinois adopted its Civil Administrative Code and established such a department, until the establishment of the Federal Emergency Relief Administration in 1932 and the passage of the Social Security Act in 1935. During this period state after state established over-all welfare departments, administered with or without a board.

This trend was altered with the creation of emergency agencies that were established during the depression period. These agencies were almost universally set up apart from the established welfare authority. New York set the pattern with the organization of the Temporary Emergency Relief Administration as separate from the Department of Social Welfare. When grants-in-aid for public assistance resulted in the establishment of permanent public assistance authorities the states were faced with the question of whether the public assistance programs should be administered by a separate agency or an over-all welfare authority.

Larger states have usually established a separate department for the administration of public assistance. Illinois established in 1935 a Division of Old-Age Assistance in the State Department of Public Welfare.⁶ Unemployment relief, however, continued to be super-

⁶ For a detailed account of the history of the division see Arthur P. Miles, *Federal Aid and Public Assistance in Illinois* (Chicago: University of Chicago Press, 1941), pp. 159-209.

vised by the Illinois Emergency Relief Commission which became officially known as the Illinois Public Aid Commission. In 1944 the Illinois Public Aid Commission became the administrative unit for old-age assistance, aid to the blind, and aid to dependent children. In addition it supervises the administration of general relief in the localities. The Department of Public Welfare administers the welfare institutions and certain welfare programs, such as the child welfare services and a newly created Department of Public Safety administers the correctional and custodial institutions. New York has separate state departments for public assistance, corrections, and mental hygiene.¹⁰

The history of welfare integration in Wisconsin has been interesting although not necessarily typical of all jurisdictions. Wisconsin established a state board in 1871, which became an administrative Board of Control in 1891. The Board managed state institutions and administered certain welfare services, such as child welfare and state-wide probation and parole. Emergency relief for the unemployed was administered by the Wisconsin Emergency Relief Administration which was a part of the state Industrial Commission. In 1936 the public assistance programs were given to the newly created state Pension Department for supervision and administration. In 1937 the state of Wisconsin had the following departments administering welfare services: State Board of Control, Public Welfare Department, State Department of Mental Hygiene, Department of Corrections, and State Pension Department. A special commission was appointed by the governor to study the problem, and in 1927 it recommended that the state's welfare services be administered in three departments. These would be: Social Security, Mental Hygiene, and Corrections.¹¹

The state legislature, however, created one Department of Public Welfare to administer public assistance, corrections, and mental hygiene. Thus Wisconsin has a public welfare authority similar to New Jersey's Department of Institutions and Agencies which administers public assistance, social welfare, mental hygiene, and corrections.

There are a number of arguments for multiple public welfare au-

¹⁰ Marietta Stevenson, *Public Welfare Administration* (New York: Macmillan, 1938), pp. 67-68.

¹¹ *Public Welfare in Wisconsin* (Madison: Citizens Committee on Public Welfare, 1937). See also Benjamin Glassberg, "Wisconsin's Increasing Public Welfare Agencies," *The Compass, Journal of the American Association of Social Workers*, Vol. XIX, No. 1 (January, 1938), pp. 3-7.

thorities. It has been contended that integration between the correctional, assistance, and institutional services can best be achieved by an over-all agency administering all of these services. There are obvious interrelationships between these services which, it has been claimed, can be facilitated to the greatest extent if there is one executive rather than three. It may be easier to secure a well-qualified administrator to serve as an executive of an over-all department; the responsibility, prestige, and salary presumably will attract such an individual. Also it is contended that the legislature, which grants the authority and provides the funds, reacts more favorably to a large unified department than to a number of small departments. It is believed by many that the service aspects — such as accounting, research and statistics, and public relations — can be done better for a large than for a small department. A small department is not in a position to afford the services of a qualified corps of experts in accounting, research, and public relations. Finally, it is claimed that it is logical to administer related services in one department. Thus it is believed by some to be unwise to duplicate the administrative superstructures for corrections, assistance, and institutions. In this respect, however, it is significant to note that most commentators no longer believe that public health and public welfare should be administered by a single state department of government although formerly there were many who contended that one state department should administer both public health and public welfare.

On the other hand it is contended that public assistance, correctional, and institutional services are large enough in most states to warrant separate departmental status. Logically, these advocates believe that the states should have departments of public welfare, corrections, and mental hygiene. It is also contended that direct access to the governor is often essential for the assistance, correctional, or institutional programs of the state. Without separate departmental status this right could not prevail.¹² Furthermore it is believed by many that it is easier to recruit and retain executives for the various services if they are given the status of department directors. In the fourth place there are many who declare that these services are administered with greater efficiency if they are separate entities. Large departments, it is said, lead to a stifling amount of delay, confusion, and red tape.¹³

¹² Conversely, it is argued that the governor of a state is a busy man and should not be seen on official business by any but the executives of the largest units of government in the state.

¹³ See Ellen C. Potter, "Coordination of State and Local Units for Wel-

Theoretical arguments, however well presented, appear to have had relatively little impression upon the pattern of state organization. Two factors appear to be uppermost in determining the states' welfare structures — the peculiar history of the welfare service in the state and, in more recent years, the size of the state. Originally the older states established over-all welfare authorities, starting with the Massachusetts State Board of Charities in 1863. New York, Pennsylvania, Ohio, and Illinois followed this example. In more recent years these states have reorganized their services and have generally established separate departments for assistance, corrections, and mental hygiene.

Other states — such as Wisconsin and New Jersey — have had somewhat similar backgrounds, but have not elected to establish separate departments for the various services. In these states there has been a long history of state responsibility, but the states are not as large as New York, Massachusetts, and Illinois. Thus, it is quite possible that the over-all authorities in New Jersey and Wisconsin are as efficient as the multiple authorities in larger states. It may also be true that they serve their states better than would multiple authorities.

In the final analysis, the question of multiple versus single state authorities is not important. Organizational structures are often artificial and not too meaningful in administration. It is, for example, possible that divisions of departments in some states are as independent as departments in other states. Efficiency and consistency in administration are determined not by charts and graphs of the administrative structure, but by the vision, spirit, professional competence, and personal integrity of the employees.

STATE ADMINISTERED AND STATE SUPERVISED PROGRAMS

State departments of public welfare may administer the programs in the localities directly from the state office or they may supervise the administration of the programs in the localities. Under state administered programs the local offices are subdivisions of the state offices and the employees in the local offices are state employees. Auditing and statistical work for the local offices, under such pro-

fare Administration: New Jersey," *Social Service Review*, Vol. VII, No. 3 (September, 1933), pp. 383-95; Blanche L. La Du, "Minnesota" in *Ibid.*, pp. 395-406; and Robert T. Lansdale and Byron T. Hipple Jr., "Integration of Social Welfare Services — State Organization," *Social Service Review*, Vol. XX, No. 1 (March, 1946), pp. 1-10.

grams, is centralized, and the assistance checks are sent out from the state office. Since statistical reports are usually a by-product of financial data they are compiled in the state office. It is not difficult to understand why small states such as Rhode Island, Connecticut, and Delaware, or why some of the newer and less populous states of the West would establish state administered programs. But it is less obvious why large populous states like Illinois would have such programs. It has been suggested that one reason for these programs is the absence of local financial participation. While this may be a precipitating factor it need not be so. Numerous states have locally administered, state supervised programs without local financial participation. Furthermore it is not inconceivable that local financial participation could be secured without local administration. The county could raise a certain definite tax and turn it over to the state for expenditure for the assistance program.

Locally administered, state supervised programs place greater responsibility for interpretation to the localities upon the state departments. Funds are spent locally and careful and complete audits of expenditures have to be made. Employees are county employees selected in accordance with merit system standards. The states have supervisory staffs that carry on consultative relationships with the county departments. Usually the county departments have policy-making boards and the county directors are more aware of their responsibilities for informing the public about the program. In general there is greater opportunity for local participation in this type of program.

It has been claimed that greater uniformity results from state administered programs. This is a doubtful contention. Even under state administered programs the employees are members of a local community subject to the same pressures as county employees. State supervision must still be exercised, but under state administered programs there sometimes has been hesitancy to have an adequate field staff. It is possible to have as much variation in state administered as in state supervised programs. Eligibility for assistance must be determined in the locality and under the various systems individual employees have latitude in determining eligibility and the amount of the grant. State administration is not able to alter this human element.

Some states may have state supervised assistance programs and state administered service programs. The child welfare service programs, being relatively small in comparison with the assistance programs and being somewhat more experimental in nature, are often

state administered. This may introduce some complications, primarily because the child welfare worker is presumably under the administrative direction of the executive of the county department but is also under the supervision of the state division of child welfare. In the final analysis it often means that the county director has only nominal control over child welfare workers.

When the Social Security Act was passed and state administered and state supervised programs made their appearance many thought that subsequent experience would demonstrate that one of the two was superior. In the meantime we have learned that the differences between the two are not fundamental. State supervised programs are often as tightly controlled and as uniform as state administered programs. Many state administered programs have developed programs of local interpretation and have become more flexible in operation than some state supervised programs. The state and federal governments which provide at least 75 per cent of the funds in all the states, mold, however indirectly, the course and direction of local administration.

INTERNAL ORGANIZATION

The organization of a large-scale enterprise, such as a state public welfare authority, should be based upon principles that have been tested through experience. Some of the most important of these are: (1) The success of the administration depends in large measure upon a thorough, comprehensive, and analytic appraisal of the objectives of the service. (2) The areas of administration should be clearly defined. In a public welfare service this means that the relationship between the state office, the state supervisory staff, and the county departments of public welfare should be carefully delineated. The state supervisory staff should have adequate independence and flexibility, written rules and regulations should be clear and complete, and the authority of the county departments should be extensive enough to cope with the problems at hand. (3) The work of the department should be divided into units that reflect the predominant functions of the service. An executive needs to be in charge of departmental administration and the number of division heads responsible directly to him should be kept at a minimum. Lines of authority should be definite but not rigid, and the authority of division heads should be equal.¹⁴

¹⁴ Marshall E. Dimock, *Modern Politics and Administration* (New York: American Book, 1937), pp. 244-45.

In large administrative agencies there is a distinction between staff and line services. These are terms that come from the military with precise meanings in administration. A line official is one who is engaged in providing a direct service. The director of a division of public assistance in a department of public welfare is a line official. A staff official, on the other hand, is one whose task is that of giving service to a line officer. The director of the division of research and statistics in a department of public welfare is such an officer. Sometimes line organizations are known as operating divisions or bureaus and staff organizations are called service divisions or bureaus. Thus in the federal Social Security Administration the Bureau of Old-Age and Survivors' Insurance, Employment Security, and Public Assistance are known as operating bureaus; the Bureau of Research and Statistics, Accounts and Audits, and the Informational Service are referred to as service bureaus. Whatever the terminology the staff or service officer is one who must be helpful to the line or operating officer; inasmuch as his work is largely of a research or consultative nature, he does not issue administrative orders.

An executive must delegate tasks to others, especially if he has numerous responsibilities. The executive should not be buried under a mass of minor details; he must be free to plan, to meet the public, to confer with elected officials. The executive must also be a man of vision who has a keen sense of the direction of the service. If he is such a person he will delegate tasks to other employees and maintain a cooperative spirit and develop good agency morale.

Directly under the departmental executive are the divisions (or bureaus) each with equal status. In terms of budget and number of employees some divisions are larger than others. Thus the division of public assistance may have many more employees and larger expenditures than the division of child welfare. This situation has led, in some states, to a consolidation of these two divisions into a single division of assistance and service. For example, the state of New York has a Division of Welfare and Medical Care in which is lodged public assistance, child welfare, and medical care.

There is by no means complete agreement as to the distinction between staff and line services. Some public welfare administrators maintain that there is no sharp distinction and that service functions should be integrated with the activities of the respective administrative divisions. A philosophy of this sort is evident in the development of the Bureau of Research and Statistics of the Social Security Administration. Originally it was a separate unit with divisions giving research service to the Bureau of Old-Age and Survivors' In-

surance, Employment Security, and Public Assistance. Gradually the operating bureaus demanded control over the statistical work relating to their services. Now each operating bureau has its own statistical division and the Bureau of Research and Statistics concentrates on over-all research and projects that cut across the lines of the various operating bureaus. A similar trend, however, has not appeared in the states.

A large public department must be organized in such a way as to facilitate the flow of work from one unit to another. From the application of the client for an old-age assistance grant until the issuing of the first monthly check is a long process that depends upon the coordination of and cooperation between the various units. Lines of communication and authority must be clearly established. The applicant comes to the office of a county department of public welfare where a case worker takes the application and makes the preliminary determination of the grant. The case supervisor then checks the application. It is next verified for legal accuracy and details by a clerk who forwards it to the county director. After his approval it is routed to the state office where it is reviewed in the statistical unit. It goes to the tabulating unit, then to the bookkeeping unit. After the department of public welfare has entered the voucher it is routed to the department of finance where the warrant is signed and the check written and sent to the recipient.¹⁵ These steps may seem like needless and wasteful red tape, but they are essential in a large organization. There must be no bottlenecks to interfere with the smooth flow of operations.

EXAMPLES OF STATE PUBLIC WELFARE AUTHORITIES

New York has had a long experience in the administration of public welfare. There a recent realignment of state welfare activities has taken place so that its organization has been modernized to cope with present-day problems. The New York State Board of Social Welfare is composed of fifteen members appointed by the governor, six from the state at large and nine from the judicial districts. They are, of course, appointed for overlapping terms. The board appoints the commissioner who is the chief executive officer of the State Department of Social Welfare. The department supervises the administration of public assistance by the local welfare agencies, supervises certain public and private agencies providing foster home care and

¹⁵ This is a description of the flow in a state-administered public assistance program.

other child welfare services, licenses boarding homes for foster care of children (except in New York City), investigates and acts upon applications for the incorporation of charitable institutions and agencies, and operates five state institutions.¹⁶

The basic activities of the New York Department are administered through divisions. A Division of Welfare and Medical Care establishes public assistance policies, supervises the administration of public assistance in the localities, administers a child welfare service program, and provides field supervision and inspection of hospitals and adult institutions. A Division of State Institutions and Agencies administers three training schools for delinquent children, a school for dependent Indian children, and a home for veterans and their dependents. The Commission for the Blind, which provides vocational rehabilitation for the blind and has a blindness prevention program, is in this division. A Division of Administrative Finance is in charge of budgeting, accounting, and general office administration. Deputy commissioners are the executive officers of divisions.¹⁷

New York has grouped certain service functions under the office of Assistant to the Commissioner, rather than create separate divisions for the services. Bureaus of Personnel, Research and Statistics, and Welfare Publications are organized in this office.

Supervision of local public welfare agencies is one of the important aspects of the New York program. This is done for New York City through the New York Field Office which is supervised by the First Deputy Commissioner. Large cities have demanded, and secured, an appreciable amount of home rule. Special considerations, therefore, have to be given to them in regard to state supervision of local welfare authorities. Many mayors, such as former Mayor LaGuardia of New York City, have asked that large cities be allowed to deal directly with the federal government without state intervention. This has never been done for public assistance programs.

¹⁶ *Seventy-Seventh Annual Report of the New York State Department of Social Welfare (1943)*, pp. 8-10.

¹⁷ Robert T. Lansdale and Byron T. Hipple, Jr., "Integration of Social Welfare Services — State Organization," *Social Service Review*, Vol. XX, No. 1 (March, 1946), pp. 1-10; Harold C. Ostertag, "New York Revises and Simplifies Its Public Welfare System," *Ibid.*, pp. 11-17; Leonard F. Requa, Jr., "Recent Social Welfare Legislation in New York State," *Public Welfare*, Vol. 2, No. 11 (November, 1944), pp. 270-74; Richard T. Gilmartin, "From Planning to Action: New York State Integrates Its Welfare Services," *Ibid.*, Vol. 4, No. 6 (June, 1946), pp. 131-35; and Felix Infanto and Byron T. Hipple, Jr., "Reorganization of Public Welfare Services in New York State," *Public Administration Review*, Vol. VI, No. 1 (Autumn, 1946), pp. 315-24.

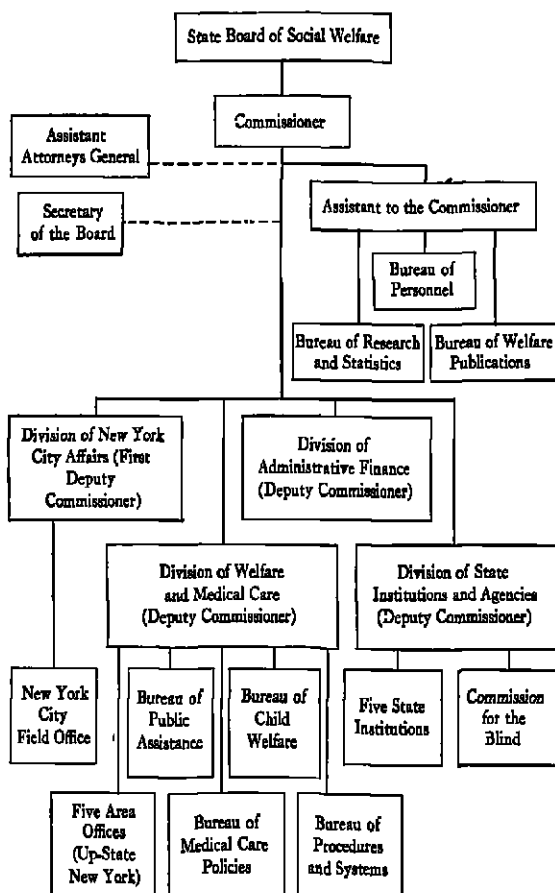
New Jersey, as we have noted on several other occasions, has an over-all welfare authority with responsibility for public assistance, corrections, and mental hygiene. The state board is composed of nine members, appointed for overlapping terms by the governor who is an *ex officio* member. The chief executive officer is the Commissioner to whom the board has delegated responsibility for the administration of the Department of Institutions and Agencies.

The Department, as is also the case in New York, is organized along functional lines. Budgetary control is exercised through the Division of Administration and Accounts which also has responsibility for accounting procedures in the state institutions and agencies. The Division of Classification and Education has responsibility for development and review of classification procedures in the various institutions; also this division supervises the educational and training programs in the institutions. The Division of Medicine is responsible for inspection, supervision, and licensing of philanthropic institutions in addition to providing professional staff and supplies for the institutions and conducting research regarding the prevention and cure of certain diseases. Other inspectional duties — such as inspection of county jails, workhouses, almshouses, and other county institutions — are assigned to the Division of Inspection. The Division of Research and Statistics is a service organization that assembles and interprets data for the appraisal and planning of services. New Jersey's system of "state use"¹⁰ prison industries is supervised by the Division of State Use Industries. The Division of Architecture and Construction is responsible for the design, construction, repair, and maintenance of state institutions.

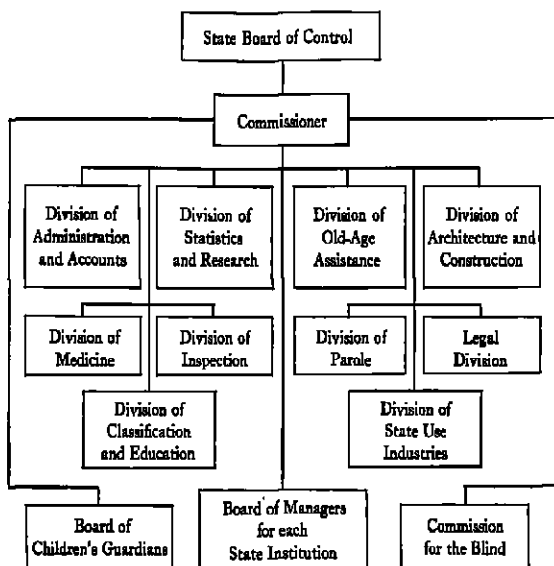
Welfare functions are supervised or administered by a number of divisions. Parolees of all correctional institutions, except the State Prison, are supervised by the Division of Parole. New Jersey is one of the few states retaining separate state units for the administration of old-age assistance, aid to the blind, and aid to dependent children. The Division of Old-Age Assistance supervises the administration of old-age assistance in the localities. Aid to the blind, as well as other services for the blind, is administered by the Commission for the Blind, which has been supervising the aid to the blind program since 1921. Aid to dependent children is administered by the Board of Children's Guardians, established by the legislature in 1899. With the establishment of the State Department of Institutions and

¹⁰ As the term *state use* implies, products made in prison are not sold in the open market, but are made solely for use by tax-supported organizations.

Organization of the New York State Department of Social Welfare, 1948



Organization of the New Jersey Department of Institutions
and Agencies, 1946



Agencies in 1918 an effort was made to coordinate these services.¹⁸ They have not, however, been merged into one division nor have the old boards and commissions been abolished. It seems somewhat paradoxical to have boards and commissions within boards. Nevertheless, New Jersey has an excellent state public welfare authority and has contributed a great deal to the development of public welfare administration in the United States.

The state of Utah has not had the long history of public responsibility for the care of dependent persons that the older states of the East and Midwest have had. As a western state it has escaped the development of small units, such as towns and townships for the administration of poor relief. As a small state with a population of only half a million it can have a single state authority for the administration of corrections, mental hygiene, and social welfare. When the Depart-

¹⁸ *A Report and Handbook 1934-1943* (Trenton: New Jersey Department of Institutions and Agencies, 1944).

ment of Public Welfare was originally created in 1935, however, its authority was exclusively for the administration of public assistance and certain related welfare programs. In 1941 the state legislature placed the State Hospital, State Training School, State Industrial School, State Tuberculosis Sanatorium and Disabled Miners' Hospital, and the juvenile courts under the Department. Two years later the legislature created a service within the Department for the rehabilitation of indigent alcoholics, and gave to it certain licensing responsibilities in the child welfare field.

The Public Welfare Commission of Utah is a paid, executive board composed of three members appointed by the governor for overlapping terms. One of the members is designated by the governor as the Chairman of the Commission. The three commissioners serve collectively as a policy-making board and individually as administrators of the various programs. One of the commissioners is in charge of institutions, another of finance, and another of public assistance and related services. The superintendents of the four institutions are, therefore, responsible directly to a commissioner for the operation of their respective institutions. The Bureau of Services for Children is directly responsible, through its director, to a commissioner for coordinating services to children, including the juvenile courts. The Bureau of Assistance and Services is responsible, through its director, to a commissioner for the operation of the public assistance program.

The services mentioned above are direct administrative operations or line activities. In addition there are several service or staff units in the Department. The Bureau of Finance and Accounts keeps account of receipts and disbursements and is also responsible for the establishment and maintenance of proper accounting procedures. The Bureau of Research and Statistics develops proper methods of collecting statistical data, develops research projects, and serves as consultant to the operating bureau.²⁰

We have found that some states have several agencies handling the welfare services of the state. New York and Illinois, for example, have separate departments for social welfare, corrections, and mental hygiene. Other states, such as New Jersey, have a single agency to administer all three of these services. There is still another pattern for the state welfare authority. In Maine and Missouri public health and public welfare are administered through a single state department.

²⁰ *Fourth Biennial Report, State of Utah Department of Public Welfare* (covering the period July 1, 1942-June 30, 1944), pp. 32-33.

In Maine the Code Act of 1931 abolished the Department of Health and the Department of Public Welfare and created in their places the Department of Health and Welfare. Originally this department operated the various state institutions, but in 1939 the state legislature created the Department of Institutional Service and abolished the Bureau of Institutional Service in the Department of Health and Welfare.²¹

As illustrated by the chart on page 290 the major subdivisions of the Maine Department are the Bureau of Health and the Bureau of Welfare. The directors of these bureaus are responsible to the Commissioner of Health and Welfare who, in turn, is responsible to the governor. There is no policy-making board, but an advisory council of health and welfare consisting of ten members has been created. Each of the bureaus has various divisions organized on a functional basis. The divisions of the Bureau of Social Welfare are: Public Assistance, Child Welfare, Indian Affairs, Veterans Affairs, and Services for the Blind. The field organizations for Public Assistance and Child Welfare are not uniform. There are seven public assistance districts for the supervision of these programs in the localities and there are five child welfare districts. There are six public health districts for the state.

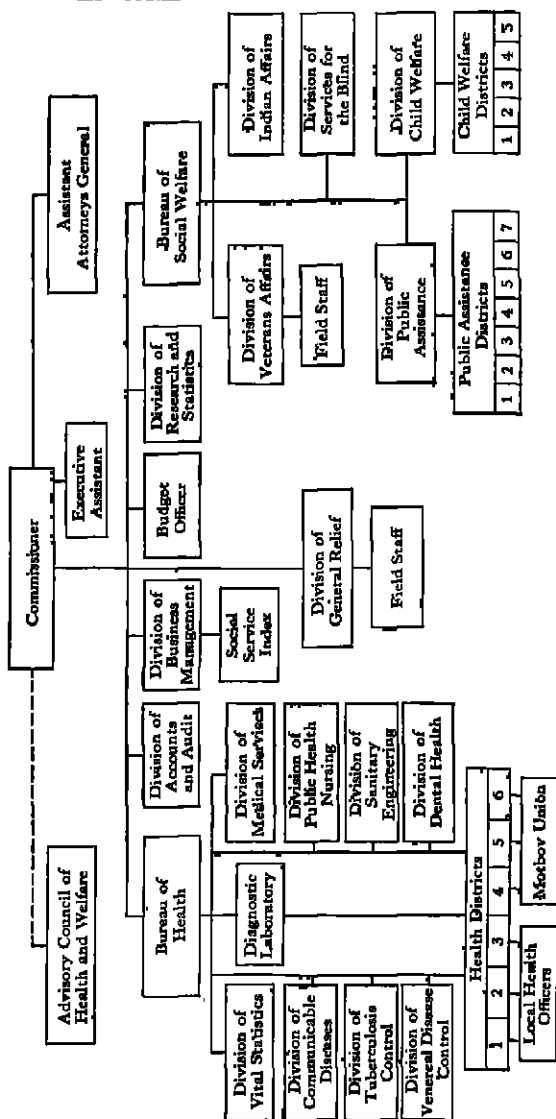
The service units are not organized as integral units of the operating divisions. The Divisions of Business Management, Accounts and Audits, the Budget Officer, and the Division of Research and Statistics are over-all service units under the supervision of the Commissioner. General assistance in Maine is not usually administered in the same county department as the federally-aided assistance programs, but according to the desires of the local units of government. Therefore a separate Division of General Relief has some responsibility for the programs in the localities.

The 63rd General Assembly of the State of Missouri created the Department of Public Health and Welfare, February 4, 1946.²² According to the act, the department "shall be controlled and administered" by a director appointed by the governor, "by and with the advice and consent of the senate." The law makes no provision for a policy-making board and stipulates that the director of the department shall receive an annual salary of \$8500. Details of the organization of the Divisions of Health, Welfare, and Mental Diseases are prescribed by law. For example, "the division of health

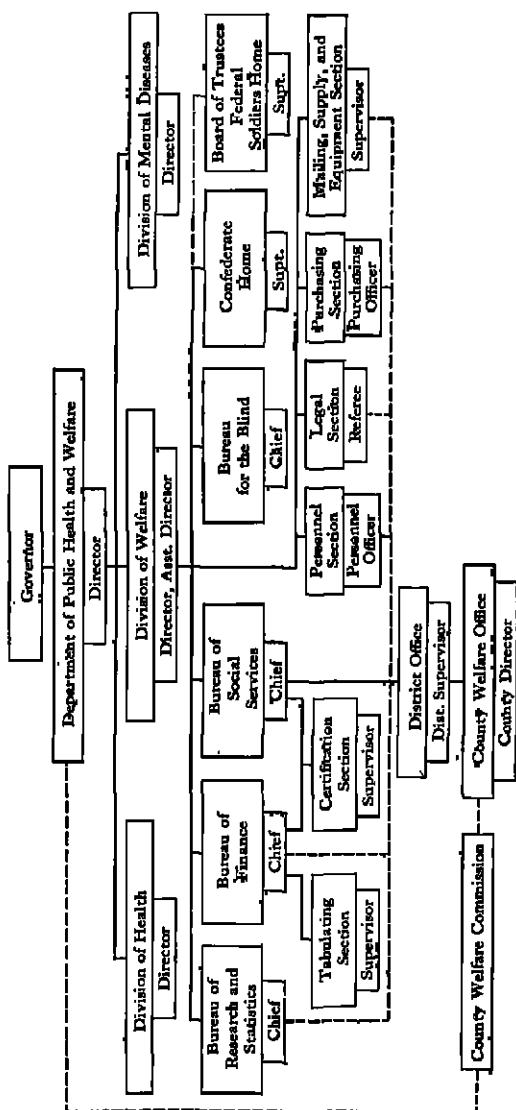
²¹ *Biennial Report, State of Maine Department of Health and Welfare* (for the Biennium ended June 30, 1944), pp. 6-13.

²² Senate Bill, No. 349, 63rd General Assembly, State of Missouri.

Organization of Maine Department of Health and Welfare, 1945



Organization of Missouri Department of Health and Welfare, 1947



shall maintain a bureau of vital statistics, a bureau of communicable diseases, a bureau of food and drug inspection, a bureau of child hygiene, a bureau of public health nursing, a bureau of tuberculosis control, a bureau of dental health, and other bureaus as it may deem necessary from time to time." Under the Division of Welfare there are both operating and service bureaus. The operating bureaus are Social Service, Blind, and the Confederate Home.²³ The service bureaus are Finance, and Research and Statistics.

State departments of health and welfare raise questions as to the relationship between public health and public welfare. While there is a definite socio-economic relationship between health and welfare the two services are not administered through the same local offices. Furthermore due to the professional and technical differences between the two services, separate field staffs are required. Thus the divisions of health and welfare often become, in reality if not in legal fact, separate departments. The integration between the two may be only that which can be effected through a single top-executive officer.

TRENDS IN STATE PUBLIC WELFARE PROGRAMS

When the social security programs were first established in our states the administrative agencies were concerned, of necessity, primarily with the granting of relief. This is understandable. We were then emerging from the depression and there were hundreds of thousands of persons eligible for old-age assistance, aid to the blind, and aid to dependent children. Professionally trained and experienced staff members were not available in most areas to give case work services to the clientele. During the past decade, however, we have become more concerned about the way in which investigations and reinvestigations of eligibility for public assistance should be made. We have also become aware of the services, in addition to economic aid, that should be rendered to the recipients of public assistance.

One of the most important trends in public assistance, therefore, is the recognition that the clients as individuals "bring in addition to economic needs, many other needs . . . The individual's needs and their emotional value for him, in relation to services rendered and attitudes encountered as he experiences public assistance, are decisive in determining constructive or destructive use of the experi-

²³ The Division also has a supervisory relationship with the Board of Trustees of the Federal Soldier's Home.

ence."²⁴ Public assistance workers are becoming more aware of the psychological meaning of the application for assistance and the peculiar reactions of the individuals who receive aid. They are endeavoring to counsel with and render case work services to the clients who request it.

There is, of course, great danger in the wholesale application of private agency case work techniques to the public service, especially when the staff is not qualified to render such services. Then too, the service should not be forced upon clients. There is always the danger that the money payment will be used by case workers to secure a "voluntary request" from the client for case work service. Where the request is a legitimate one and where the agency has the staff qualified to give the service it is now recognized as an obligation of the agency.

There is also a definite trend towards complete integration of state social welfare programs into a single agency. When the states first accepted some responsibility for old-age assistance and aid to the blind, before the passage of the Social Security Act, they usually established separate state commissions to administer these services. Since that time there has been a gradual consolidation of these and various child welfare services into a single state department. When the federal government turned the unemployment relief problem over to the states, they in turn often gave the localities total responsibility for general assistance. Gradually state after state has established general assistance programs which are a part of the department that administers the federally-aided assistance categories. This trend will undoubtedly continue.

Many states have attempted to coordinate the various programs administered or supervised by the state department of public welfare. This trend has been especially noticeable in regard to the public assistance and the child welfare programs. During the period 1935-1940 many child welfare programs were operated as virtually independent services. They had their own field staffs, their own research and statistical units, their own local programs, and, in general, were distinct from the public assistance programs. Recently, the similarities between the two have been recognized and there have been conscious efforts to coordinate them. In some instances the two services have been placed in the same division. While there have been no attempts to obliterate special child welfare programs the

²⁴ Charlotte Towle, *Common Human Needs, An Interpretation for Staff in Public Assistance Agencies*, Public Assistance Report, No. 8 (Washington: Government Printing Office, 1945), p. 37.

states have aligned the programs so that both utilize the same local facilities and coordinate their work in the state, district, and local offices.

State programs have become more liberal than they were when the Social Security Act was first passed. This trend is noticeable not only in the increase in average payments,²⁵ but also in the elimination of certain restrictive provisions in the laws. Property lien laws have been eliminated in many states and homestead exemptions have been increased for old-age assistance. Rhode Island and New York have eliminated legal settlement as a qualification for public assistance and other states have liberalized residence requirements. Special medical care programs have been established in a number of states for public assistance recipients.

State agencies are an important link in the federal-state-local chain of public welfare administration. The federal government supplies a large portion of the funds and the state governments have the responsibility for the supervision or administration of the programs in the localities. The state governments possess the legal power necessary for the administration of the programs, but it is the localities (usually the counties) that must provide for their day-to-day operation.

Selected Bibliography

- Frank G. Bates and Oliver P. Field, *State Government* (New York: Harper, 1938).
- A. E. Buck, *Modernizing Our State Legislatures*, Pamphlet Series, No. 4 (Philadelphia: The American Academy of Political and Social Science, 1936).
- Marshall E. Dimock, *Modern Politics and Administration* (New York: American Book, 1937).
- W. Brooke Graves, *American State Government* (Boston: Heath, Third Edition, 1947).
- Robert A. Luce, *Legislative Assemblies* (Boston: Houghton Mifflin, 1924).
- Austin F. MacDonald, *American State Government and Administration* (New York: Crowell, 1940).

²⁵ The average monthly payment for old-age assistance in the United States was \$16.16 in December, 1934. By December, 1948, this had increased to \$42.02. Average payments to families for aid to dependent children increased from approximately \$32 per month in December, 1935, to \$71.88 in December, 1948. Payments to individuals for aid to the blind increased from \$18.25 per month in December, 1934, to \$43.54 in December, 1948. The increased cost of living did not account for the total amount of these increases.

Marietta Stevenson, *Public Welfare Administration* (New York: Macmillan, 1938).

Charlotte Towle, *Common Human Needs; An Interpretation for Staff in Public Assistance Agencies*, Public Assistance Report, No. 8 (Washington: Government Printing Office, 1945).

W. F. Willoughby, *Principles of Legislative Organization and Administration* (Washington: The Brookings Institution, 1934).

15. Local Public Welfare Agencies

RELATION OF LOCAL UNITS TO THE STATE

In order to understand the role of local departments of public welfare one must first understand the relationship of local units of government to the state. Local units are territorial subdivisions of the state established by statute to carry out public functions. This definition includes counties, townships, cities, judicial districts, park districts, sanitary districts, irrigation districts, and numerous other special units. All local units have a subordinate legal position to the state. They are created by the state and exist at the sufferance of the state. Thus, in effect, there is only a single government in the state.

The powers and duties of counties (and other local units) are determined by the state. In some instances the status of counties is determined by the constitution of the state and in such instances the "dead hand of the past" controls the form of county government. There are numerous elected county officials whose positions are protected because they are specifically mentioned in the state constitution. Only seven states — California, Montana, Minnesota, Nebraska, North Carolina, Rhode Island, and Virginia — are free from this complication.

The direct election of county officers does not necessarily insure democratic government. While it is to be admitted that the county board which levies taxes and appropriates funds should be elected, it does not necessarily follow that all county officers should be elected. It would be preferable, from the point of view of administrative efficiency, to have the officers appointed by the county boards. The able vote-getter is not necessarily an able administrator.

Home rule for counties has been advocated as one of the chief means of improving local administration. The purpose of home rule is to permit counties more freedom in determining their general governmental structure and, at the same time, retain legislative determination of their powers. Home rule for counties is usually the result of a constitutional amendment which permits counties to frame, adopt, and amend charters which prescribe their governmental organization. The charter fixes the number of members and method

of electing the board and provides for the selection of administrative officers. Such a system enables the counties to adopt that form of government best suited to their needs and permits the counties to experiment with different kinds of local government. Nevertheless only a few states have permitted home rule and only a small number of counties within those states have tried it. California was the first to adopt a home rule amendment to the state constitution when, in 1911, it permitted a board of fifteen freeholders in a county to draft a charter. A charter so drafted must be submitted to popular referendum. From there, if successful, it goes to the state legislature for acceptance or rejection.

The California system provides for a board of supervisors of not less than three members elected from districts or at large. The sheriff, clerk, treasurer, recorder, license collector, tax collector, public administrator, coroner, surveyor, district attorney, auditor, assessor, and superintendent of schools may be elected or appointed by the board. Charters provide for the number of justices of the peace and constables and such inferior courts as are provided by the constitution or by law. By 1930 only five California counties had adopted home rule charters.

Maryland ratified a home rule amendment in 1915, but no local development, except the defeat of a plan for the city of Baltimore in 1920, has resulted. Charters were submitted to the voters of Westchester County, New York, in 1925 and 1927, but, were rejected.

The development of the city manager form of government led to demands for county managers. A Model County Manager Law has been drafted which authorizes counties to adopt the plan by a majority vote at a local referendum. The Virginia legislature permitted counties to choose optional forms of road management in 1928. The roads could be managed directly by the county board or the board could select a county engineer or manager. Albemarle and Fairfax counties took advantage of the law. In 1930 the state of Virginia permitted Arlington County to institute a county manager form of government and the voters of the county approved the plan which became effective January 1, 1932. In 1932 the legislature made the manager form of government optional for all counties.¹ County manager laws were adopted in Montana in 1931, but no county has taken advantage of the law. San Mateo County, California, adopted a manager plan in 1932. Davidson County, North Carolina, adopted a manager system, in accordance with state law, by resolution of the county board

¹ Arthur W. Bromage, *American County Government* (New York: Holston House, Sears Publishing, 1933), pp. 91-164.

in 1927, but the plan lapsed after two years. Durham County, North Carolina, appointed a manager in 1930.

Local government, especially county government, has not been modernized and remains similar in administrative structure to local government of a generation ago. Public welfare administration in the localities, however, has become somewhat uniform throughout the country because of the standards required by the federal and state governments.

NUMBER OF LOCAL UNITS

It is impossible to determine the exact number of local units of government in the United States. Any enumeration of these units is dependent entirely upon definition. The definition has never been standardized so anyone may take exception and substitute one of his own that may be more or less inclusive. Professor William Anderson formulated a tentative definition in which he listed five aspects that has secured widespread acceptance. Such a unit should be: (1) a separate governmental organization; (2) empowered to grant some kind of governmental service; (3) independent of other governmental bodies; (4) an area that may or may not coincide with the area of some other governmental unit; and (5) empowered to raise revenue.²

The Census Bureau enumerated 194,583 local units in the United States, but Professor Anderson's definition was not so inclusive and he counted 175,369. These units vary in size and population. Cook County, Illinois, is the most populous county with slightly more than four million inhabitants; Alpine County, California, had only 241 inhabitants in 1930 and Armstrong County, South Dakota, only eighty. San Bernardino County, California, has 20,175 square miles while San Francisco in the same state (not organized as a county but functioning as one) has forty-two square miles.

The average population for a county is 39,617, but this is a misleading figure. Actually, nearly one-fourth of all counties have less than ten thousand inhabitants, approximately a third range from ten thousand to twenty thousand, and more than one-fourth range from twenty thousand to forty thousand. Thus, four-fifths of all counties have less than the average population.³

In the early days of our country it seemed to be wise and economical

² William Anderson, *The Units of Government in the United States* (Publication, No. 12, Public Administration Service, Chicago, 1934), p. 27.

³ *Ibid.*, p. 17.

to have many small units of local government. Counties, townships, and school districts were laid out before the invention of the automobile, the telephone, and the development of modern paved highways. Difficulties of travel and communication were so great that it was essential to have local units accessible to the people. County seats had to be within horse and buggy distance for all citizens in the county. Furthermore the activities of government were few and nontechnical in those days. All this has changed. Travel and modern methods of communication have antiquated our counties and, at the same time, many services of government have become highly technical. This argument, as Professor Anderson has pointed out, has been repeated so many times by those who favor a reorganization of government that it has become wearisome.⁴ But no one has done anything about it. During the 1947 legislative session in Wisconsin a law to permit local option as to the type of county government was proposed, but a legislative committee voted seven to six not to give consideration to it.

HISTORIC IMPORTANCE OF LOCAL GOVERNMENT

Our public welfare programs started with the theory of local responsibility. The Elizabethan poor law placed the responsibility for the care of dependent persons upon the parish. In New England the town became the unit responsible for the administration of poor relief and in many other sections of the country the county was given the responsibility. With the exception of certain state programs for special groups — such as the insane, the criminal, and the feeble-minded — these responsibilities remained an exclusive concern of the localities until fairly recent times.

The power of the past is still of great importance in local government. Here its roots penetrate deeply into our Anglo-Saxon heritage. Our modern counties and townships bear the marks of colonial predecessors, which in turn were modeled upon the ancient English parish. We have four major systems of local government in America: the New England town; the township supervisor system, the commissioner plan, and the Southern county. As our ancestors moved westward across the continent these systems reappeared. Local government has changed very little during the past three hundred years.

⁴ *Ibid.*, pp. 28-29.

THE LOCAL TRADITION IN PUBLIC WELFARE

We have noted, time and time again, that the doctrine of local responsibility has been a cardinal principle in public welfare administration since the enactment of the Elizabethan poor law in 1601. America inherited this theory from England and local responsibility was part of the social philosophy of the times, emphasizing as it did individual responsibility and initiative, and eliminating a centralized oligarchy associated with monarchical institutions. In spite of the sound political and social doctrines, local responsibility has frequently led to neglect in the care of dependent persons.⁶ Investigations have usually shown that many of our public welfare services can best be undertaken by larger units of government.

Acceptance of responsibility on the part of the state and federal governments, however, has not solved all the problems associated with the local administration of public welfare. The public welfare specialist is confronted with two stubborn facts: (1) the public welfare services must, by their very nature, be administered in the localities; and, (2) the local geographical units must be accepted as they are.

The county has long been considered as the preferable unit for the local administration of the public welfare services and it is certainly to be preferred over the township or the municipality. But the majority of counties are not ideal units. In order to have an efficient, economical, and reasonably adequate public welfare program the local unit should be large enough to have a case work supervisor and a special child welfare worker. This means a case load large enough to warrant six case workers. Furthermore the county should also have a reasonably adequate public health unit. Only a small number of counties have sufficient population and resources to afford such units. It is doubtful if many counties of less than fifty thousand population could have such units. It has, of course, been suggested that several counties be united into a public welfare district that has a large enough population to afford such a unit. This has been attempted in a number of states. Maine and Florida, for example, have district rather than county departments of public welfare. Many other states have statutory provision for such units. There have been numerous practical problems in connection with public

⁶ For examples see Grace Abbott, "The County Versus the Community as an Administrative Unit," *Social Service Review*, Vol. IV, No. 1 (March, 1930), p. 1; and Mary Ruth Colby, *The County as an Administrative Unit in Social Work* (Washington: United States Children's Bureau Publication No. 224, 1933).

welfare districts. In the first place, residents of a county are accustomed to going to the county seat to transact official business and they find it difficult to reorient themselves to a district office. Secondly, most other local services are administered on a county-wide basis. Thirdly, a public welfare unit should be an area of government that is able to levy taxes, especially in state supervised, locally administered programs. Finally, local units of government should conform to the natural social groupings of people. In Louisiana two parishes (counties) on opposite banks of the Mississippi River were once joined into one local public welfare unit. There was no bridge across the Mississippi connecting the two parishes and the residents of the two parishes had never had much contact with one another. From a sociological point of view such a union was condemned to failure from the beginning.

The inescapable conclusion, therefore, is that the county must be accepted as the local unit for the administration of public welfare; accepted in spite of all its obvious limitations because of the historic importance of the county and the practical difficulties of effecting changes. The problems of public welfare, therefore, can be dealt with only in terms of the total pattern of local public administration.

DEVELOPMENT OF THE COUNTY AS AN ADMINISTRATIVE UNIT IN SOCIAL WORK

Until the development of special programs for the care of dependent children, the blind, and the aged, relief was administered by locally-elected officials who served as overseers of the poor in an *ex officio* capacity. In more than one-third of the states the overseer has been a township officer.

The development of special mother's aid programs, starting in Illinois in 1911, assisted in the development of the county as an administrative unit for social work. The county juvenile court or the county board of commissioners was the agency usually designated to administer these programs. Programs for the aid of the blind and state old-age assistance laws also utilized the county as the administrative unit.

Special county child welfare boards were also appointed in the various states. In 1921 a law was passed in Arizona requiring the appointment of such a board in each county, composed of four persons and appointed by the superior court for a term of four years. This board investigated the conditions surrounding any child within the county reported to it as being "an orphan, neglected, or aban-

doned child." In 1913 Pennsylvania passed an act creating boards of trustees of mother's assistance funds in the counties. New York established similar boards in 1915. Minnesota became in 1917 the first state to create by statute a county child welfare agency responsible for services to all children in need. County child welfare boards were created to serve under the supervision of the State Board of Control. These boards were given local responsibility for all types of children for whom adequate provision had not already been made. In rural districts this meant practically any service for the care of children. In urban areas the service was limited to children born out of wedlock, feeble-minded children, and children placed in foster homes. By January, 1932, the statutes of six states made similar provision for county child welfare boards. These states were Alabama, Kentucky, Minnesota, South Dakota, Texas, and Wisconsin.

Every county was, of course, faced with the special problems of many other groups: the physically handicapped, the indigent sick, and dependent adults. Prior to 1933 six states — Missouri, Nebraska, New York, North Carolina, Virginia, and West Virginia — had established county public welfare rather than child welfare agencies. In addition to the programs established by statute county-wide public welfare agencies were established by local ordinances in California, Georgia, Iowa, and New Mexico.

Passage of state legislation did not necessarily result in the immediate creation of county public welfare agencies. Alabama had one of the best county welfare programs during this period, but by 1927 only fourteen of the state's sixty-seven counties had accepted the provisions of a 1923 law permitting the county to establish boards of child welfare. In 1927 the legislature appropriated \$850,000 for an attendance fund. Those counties providing for joint attendance and child welfare service were eligible to receive an additional \$2000 for this purpose. As a result, forty-two additional counties within the next two years established county boards of child welfare. The experience in North Carolina, New Mexico, and Minnesota was similar.

The pre-depression county welfare programs provided three types of services: (1) employment of case workers in the county agency, (2) employment of a case worker by several counties, and (3) local volunteer services, presumably under the supervision of a state agency. In eight states (four with and four without specific legislation) only counties employing a paid worker were recognized as having acceptable programs by the state agency. In seven additional states counties with volunteer services were also recognized.⁴

⁴ Mary Ruth Colby, *op. cit.*, pp. 1-14.

Emergency relief organizations were established in each of the more than three thousand counties in the United States to administer the home relief and work relief programs of the Federal Emergency Relief Administration. For the first time counties were required to develop county-wide, uniform programs for a public welfare service. The FERA made it clear that unemployment relief was an emergency service, in addition to the regular public and private welfare programs of a community. The speed with which these emergency programs were created resulted in sharp breaks with long-established local traditions. In each locality a trained and experienced social worker was required. This often meant that a trained social worker had to be imported into rural counties to serve as county director.

Local reaction against imported social workers was evident in rural counties, except a few where well-developed public welfare or child welfare programs had been in existence. In a city as large as Rockford, Illinois (90,000 population), there was indignation regarding FERA personnel standards. As a result, in 1936 when the administration of relief was returned to local elected officials, the County Board of Supervisors passed a resolution declaring the former FERA employees would not be hired for the administration of relief. In Bond County, Illinois, the county relief committee refused to accept the person hired by the state FERA organization as the county director. When the state organization removed the locally selected director the entire committee resigned.¹

The Illinois experience was duplicated in many other states. The reaction of these rural areas, though not laudable, is easily explained. For generations the administration of relief had been the exclusive province of locally elected officers who acted in an *ex officio* capacity as overseers of the poor. With the FERA a policy was introduced which seemed to them, and many of their fellow citizens, to be an unjust interference with local rights. Then too, many social workers came to rural FERA programs with a background acquired in the comparative shelter of metropolitan private social agencies and they were not able to understand the social and economic forces of rural communities.

The enactment of the Social Security Act in 1935 resulted in the establishment of county departments of public welfare on a permanent basis. According to the federal act it is mandatory that the programs be administered on a state-wide basis so they are in effect in every political subdivision of the state. Experience gained prior to

¹ Arthur P. Miles, *Federal Aid and Public Assistance in Illinois* (Chicago: University of Chicago Press, 1941), p. 55.

the passage of the Act, especially during the FERA period, has been of importance in this development.

Public assistance is administered in most states on a county basis, although in some New England states the town still has certain responsibilities and general assistance is administered in certain mid-western states on a township basis.

TOWNSHIP POOR RELIEF

In a large group of states extending from the eastern seaboard to the plains of Nebraska the town or the township is a local district of administrative importance. Towns or townships have been especially important in the administration of poor relief. Towns in New York, New Jersey, Pennsylvania, and the eastern part of Ohio are irregular in area. In the middle-western states, however, the township is a square containing an area of thirty-six square miles. Some of the counties in midwestern states are not organized into townships. Seventeen counties in southern Illinois do not have township organization and only twenty-five of the one hundred and two counties in Nebraska are organized into townships. In general, the farther west one goes the less important the township is as a unit of government. In Missouri⁸ only twenty of the one hundred and fourteen counties have township organization and in North and South Dakota townships in some counties are organized only for school purposes. Township organization is unknown in far western states.

In New England the town officers are known as selectmen, in New York, Illinois, and Michigan they are called supervisors, in Wisconsin town chairmen, and in Indiana, Kansas, and Oklahoma they are known as township trustees. In all cases they are elected officers who must be residents of the township from which they are elected. Although their duties are not uniform from state to state they have certain functions in common. One of the primary functions of township supervisors is financial—to audit the township accounts. Another important function is the control of road construction and repair.⁹

The majority of American townships are in rural areas. The

⁸ For a study of township government in Missouri see William L. Bradshaw and Milton Garrison, *Township Organization in Missouri* (University of Missouri Studies, Vol. XI, No. 4, 1936).

⁹ John A. Fairlie, *Local Government in Counties, Towns and Villages* (New York: Century, 1914), pp. 141-85.

supervisor serves in these areas as *ex officio* overseer of the poor. While there are some local areas where poor relief, under such systems, has been well managed, the ordinary township relief program has been inadequate. Outdoor relief usually consists of grocery orders which are given on an intuitive basis rather than on the basis of detailed investigation. Rehabilitation is seldom emphasized by the overseers of the poor. Usually the overseers tend to act as petty sovereigns within their townships in authorizing the delivery of food or other necessities to the dependent families subject to their control.¹⁰ Township residence requirements mean that a needy individual in some places may lose residence by moving across the street. There is a large number of independent units administering poor relief within a single county. In Dane County (Madison), Wisconsin, there are more than sixty units administering general assistance and, of course, more than sixty standards of assistance. Kirk H. Porter once counted 139 poor relief officers in a single Pennsylvania county.¹¹

The enactment of the Social Security Act resulted in the elimination of the local overseer of the poor in the administration of special assistance programs for the aged, blind, and dependent children. But federal funds were not provided for general assistance and the states were free to administer these programs as they saw fit. In many cases the states made funds available to the counties for the administration of general assistance. Thus many counties administer general assistance by the same unit and according to the same standards as the federally-aided programs. In states where the township tradition was especially deep-seated this has not been true. The town selectmen in many New England states are still administering poor relief in accordance with Elizabethan standards and principles and midwestern township officers are still *ex officio* overseers of the poor, such as township trustees in Indiana and township supervisors in Illinois.

The trend is definitely in the direction of a single integrated county department of public welfare. Lack of federal and state funds for general assistance, however, has been a definite handicap and the movement toward integration has not been rapid.

¹⁰ Lane W. Lancaster, *Government in Rural America* (New York: Van Nostrand, 1937), pp. 303-04.

¹¹ Kirk H. Porter, *County and Township Government in the United States* (New York: Macmillan, 1922), p. 247.

MUNICIPAL DEPARTMENTS

Modern private social work is largely an urban development. Private agencies are usually found in cities of 100,000 population or more. It is in the city where social problems are ever present and where the professional and financial resources are available to combat them. Here welfare functions are highly differentiated and specialized and it would be expected that municipal (rather than county) departments of public welfare would be found in some of our larger cities.

Nevertheless since the development of the federally-aided public assistance programs there have been comparatively few municipal departments of public welfare established. Some states, where a certain amount of home rule exists, have given the right to cities to establish such departments. New York State, for example, has done so and there are some municipal departments of public welfare in that state.

Where counties and cities exist in the same geographical area duplication of function would exist if there were both county and municipal public welfare agencies. In places where the county and city no longer overlap the problem has ceased to exist. In Baltimore, Boston, Philadelphia, St. Louis, and San Francisco the county and the city appear to be one and the same. In New Orleans the parish (county) and the city appear to have the same organization for public welfare. In the twenty-four first-class cities of Virginia, county and city have been made synonymous by state legislation.²²

Municipal departments of public welfare have not been as common since the passage of the Social Security Act resulted in a uniform pattern for the administration of public assistance throughout a state, and the county became the usual unit for the administration of these programs. City units still exist, however, for programs that are not aided by the Social Security Act. In Wisconsin there are numerous cities that have chosen to administer general assistance through a city department which is independent of the county-wide agency which administers old-age assistance, aid to dependent children, and aid to the blind.

TYPE OF COUNTY AGENCY

County departments of public welfare may be administered either by a single executive with or without an advisory board or by a policy-

²² Arthur C. Millsbaugh, *Public Welfare Organization* (Washington: The Brookings Institution, 1935), pp. 190-92.

making board authorized to appoint an executive. Usually a state administered program — one where the county departments are sub-offices of the state — is administered in the county by a single executive appointed by the state office. He may have a local advisory committee, but there would usually not be a policy-making board in the county. The duties of the executive are limited by statute and he is under the administrative control of the state office. Funds for such a county department usually come exclusively from federal and state governments, and the county welfare director does not have to secure an appropriation from the county board. Accounting and statistical services in such a county department are administered, in the main, through the state office. Investigations are made in the locality, but checks are written in the state office and mailed to the clients directly from the state office. Statistical reporting is, to a large extent, a by-product of fiscal data. The county office, therefore, has to provide data only for cases rejected and reasons for cases being closed.

Despite the centralization of authority and the absence of local appropriations and administrative control the local director may still be subject to local influences because he is a part of the community and because his program's success is dependent upon local acceptance. To be sure, he and his staff are protected by their status as state civil service employees, but the service they are administering is a large and important one in the community.

Locally administered, state supervised public welfare programs usually have policy-making boards within the counties. Members of these boards may be selected in several ways. In some states a panel of members is nominated by the county board of supervisors and the state department of public welfare selects the members from this panel, limiting by law the membership. In other states the county judge nominates the panel. In still other states the membership of the board of public welfare is determined by the statute. The chairman of the county board, the county judge, the county superintendent of schools, are the ones usually specified. In addition the state department may be empowered to select several additional members. The number who serve on such boards varies from state to state, but the usual number is five or seven. Many state laws also specify that at least one member of such a board shall or may be a woman.

The county board is usually empowered to appoint the director of the county department. This is a perfunctory service because the person so appointed must pass a civil service or merit examination given by the state. Administrative authority in such a county de-

partment, however, remains with the board; it is policy-making and not advisory. Locally administered programs usually receive a percentage of their budget from the county government. In Wisconsin, for example, the local contribution is approximately 15 per cent of total costs. State and federal money is made available to the county and placed in a local bank. Local appropriations are added and the disbursements are actually made in the locality.

Experience, however, has tended to erase the sharp demarcation that once existed between state administered and state supervised, county programs. State supervision and state control over personnel standards has brought considerable uniformity among locally administered programs. State administered programs have also become much more conscious of local obligations. Today the difference between the two types of programs is not marked.

EXAMPLES OF COUNTY DEPARTMENTS

An examination of several county departments of public welfare should give a more meaningful picture of how the public welfare services are administered in the localities.

The Cook County, Illinois, Bureau of Public Welfare, one of the first, was established in 1925 in order to combine in a single department, under the direct control of the Board of Commissioners, all the social service activities of the county. The Bureau is organized into four divisions and one other unit. The Public Assistance Division administers old-age assistance, aid to dependent children, and aid to the blind. The Institutional Service Division determines admissions to Cook County Hospital and the Oak Forest Institution, operates a summer camp, and administers a medical service program in the homes of indigent persons. The Court Service Division provides social services upon the request of the county courts. The fourth division is the Behavior Clinic of the Criminal Court, a diagnostic psychiatric service which serves in an advisory capacity to the judges of the Criminal Court. The fifth unit is the public health unit which provides a public health program for Cook County in the area outside the three municipalities, Chicago, Evanston, and Kenilworth-Winnetka.

The Bureau is administered by a director who is appointed, in accordance with civil service procedures, by the board of commissioners. An advisory board, however, has been established which consists of forty-five members, representative of welfare and civic interests, appointed by the President of the Board of Commissioners subject to

the approval of the county board. The advisory board functions mainly through subcommittees which are advisory to the various services of the bureau. There are special subcommittees for aid to dependent children, old-age assistance, aid to the blind, court service, institutional service, the behavior clinic, public health, medical care, and personnel practices. An executive committee of the board is made up of the chairman, vice-chairman, and secretary of the advisory board and the chairmen of the subcommittees.

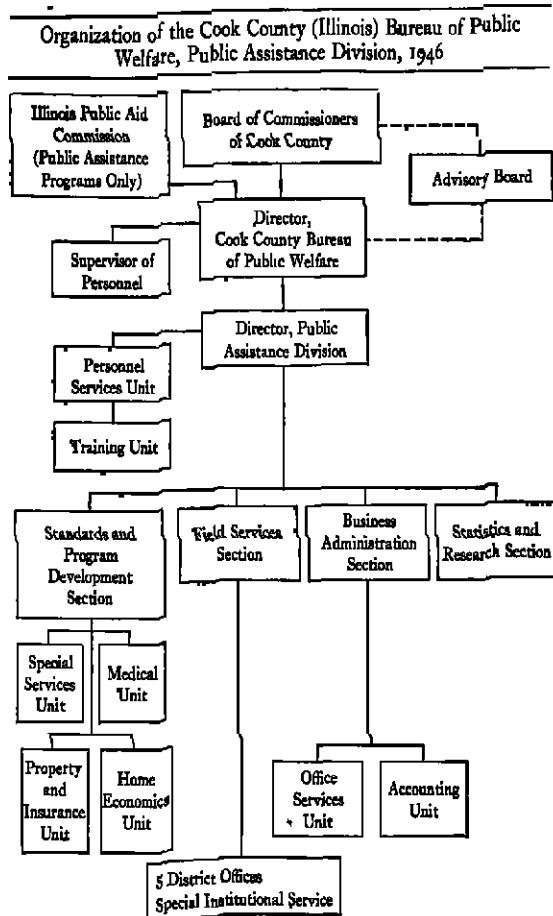
The Cook County program requires a large administrative organization. It is much larger than many small state departments. On December 2, 1946, the 915 employees of its four divisions were distributed as follows:¹²

Administrative and Maintenance Staff	12
<i>Division I: Institutional Service</i>	77
<i>Division II: Court Service</i>	21
<i>Division III: Behavior Clinic</i>	7
<i>Division IV: Public Assistance</i>	773
Veterans Assistance Commission	<u>25</u>
	915

An organizational chart of the Public Assistance Division of the Cook County Bureau of Public Welfare is on page 310. It will be found that the Bureau has many specialized services not found in smaller county departments such as special units for field services, business administration, program development, and statistics and research. In some respects the specialized services in Cook County may be more highly developed than in some state departments — the home economics unit is a case in point.

Another example of an urban type of public welfare department is the Lake County (Indiana) Department of Public Welfare. Lake County is, in many respects, an extension of the Chicago area and Cook County, Illinois, and Lake County, Indiana, meet at the state line. In Lake County the Judge of the Juvenile Court appoints the members of the Welfare Board. The Board members select the director who must, however, pass a state merit system examination. The social service activities of the Department are under the direction of the chief case work supervisor. There are a number of supervisors and about seventy-five case workers responsible to the chief case work supervisor. The executive assistant has general adminis-

¹² From information received in a letter written to the author on December 2, 1946, by Joseph L. Moss, Director, Cook County Bureau of Public Welfare.



trative supervision over the mental hygiene clinic, accounting and statistics, records, and the Children's Home.¹⁴

Like the Cook County Bureau the Lake County Department is not a fully integrated agency; that is, it administers old-age assistance, aid to dependent children, and aid to the blind, but not general assistance. In Lake County general assistance is administered by township trustees; in Cook County by a special city relief administration and, outside of Chicago, by township overseers of the poor.

The Denver Bureau of Public Welfare is an example of an integrated urban welfare organization administering the three social security aids, general assistance, and child welfare services. It is somewhat unique in that it is a bureau of a department of health and charity; however, this is purely nominal from an administrative point of view, for the Bureau appears to operate as an autonomous and independent department. The organizational chart for the Denver Bureau is found on page 313.

The Orleans Parish (Louisiana) Department of Public Welfare is another example of an integrated urban department. Orleans Parish and the city of New Orleans appear to have a joint public welfare system. The organization of the Orleans Parish Department is illustrated by the chart on page 314.

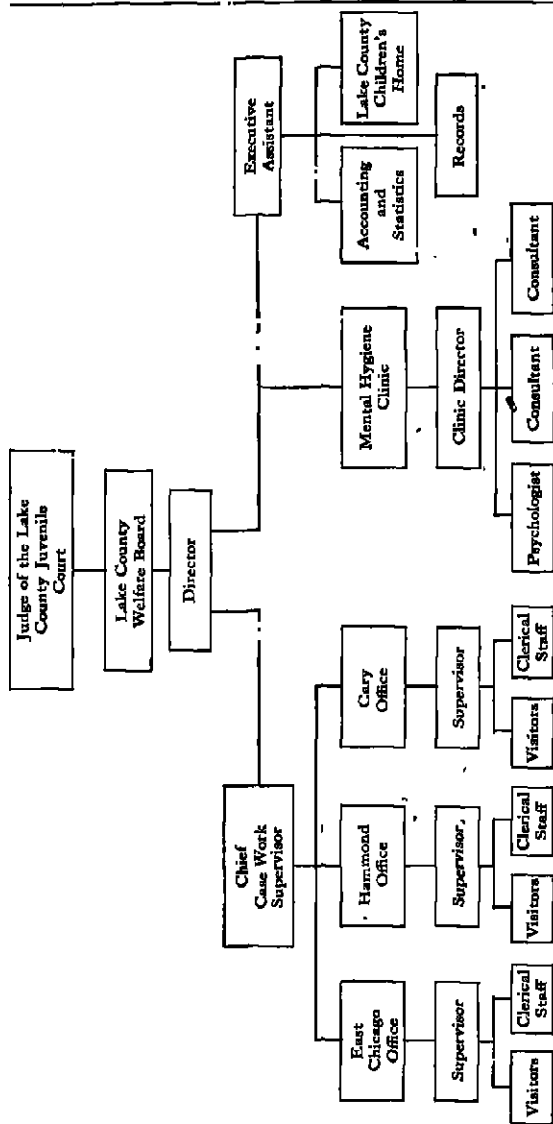
The trend in rural counties has been toward the establishment, either by statutory compulsion from the state or by local option, of integrated departments of public welfare. In rural counties there are usually no private social agencies offering specialized case work services; services of this sort, if they are provided, must be made available by a public agency. Also the duplication of administrative overhead for the operation of several public departments seems especially undesirable for small counties.

An example of an integrated rural county department is the Jefferson (Wisconsin) Public Welfare Department. This is a county of approximately 39,000 people and the county seat is a community of 3000. The case load, in May, 1948, was: old-age assistance 426, aid to dependent children 55, aid to the blind 11, and general assistance 70. In addition the Department provides special child welfare case work services, including twenty-six children in foster homes.

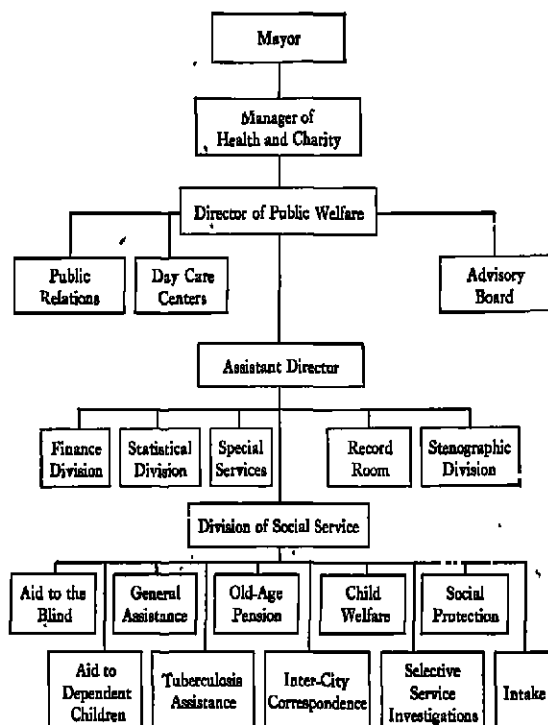
This integrated Department was created, in accordance with a permissive state law, by the County Board of Supervisors. The ordi-

¹⁴ Adapted from *Which Way to Turn?* (The Annual Report for the Lake County Department of Public Welfare, 1944-1945) and "Know Your Department of Public Welfare" (mimeographed by the Lake County League of Women Voters, March, 1946).

Lake County (Indiana) Department of Public Welfare, 1948



 Organization of the Denver Bureau of Public Welfare, 1947



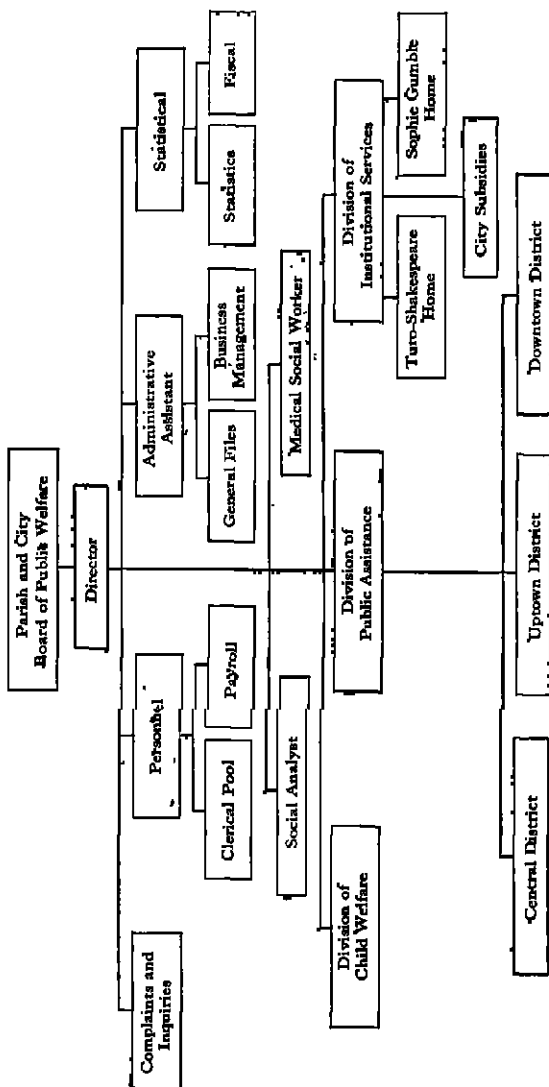
nance creating it and a resolution regarding child welfare service are reproduced below.

The County Board of Supervisors of the County of Jefferson do ordain as follows:

Section 1. PUBLIC ASSISTANCE ORDINANCE AMENDED. The ordinance creating the Department of Public Assistance passed by the Jefferson County Board of Supervisors on January 30, 1940, is amended to read as herein provided.

Section 2. DEPARTMENT OF PUBLIC WELFARE CREATED. There is hereby created a Department of Public Welfare for Jefferson County which shall consist of a Board of Welfare, a Director of Welfare, and such other employees as may be hereinafter

Organization of the Orleans Parish (Louisiana)
Department of Public Welfare, 1946



authorized. The department shall include the functions of a county pension department together with such allied functions of public assistance as may be hereinafter provided.

Section 3. (a). BOARD OF WELFARE, ELECTION. The Board of Welfare shall consist of three members, all of whom shall be residents of Jefferson County (one of whom may be a woman) who shall hold office for three, two, and one years respectively, from the first day of December, 1939, and until their successors shall have been elected and qualified. Such members shall be elected by the County Board of Supervisors at its November session, and any vacancy shall be filled by the same body.

Section 3. (b). BOARD OF WELFARE, ORGANIZATION. The Board of Welfare shall organize by the election of a chairman, vice-chairman, and secretary from its own membership. Regular meetings shall be held at least once a month unless otherwise determined by said board, at a time and place fixed by the board. Special meetings shall be held upon call of the chairman or of any two members. Two members present at any meeting shall constitute a quorum.

Section 3. (c). BOARD OF WELFARE, FUNCTIONS. The Board of Welfare shall administer within the county all laws of this state and rules and regulations of the State Department of Public Welfare relative to old age assistance, aid to dependent children, blind pensions, and in addition thereto administer all laws, rules and regulations of this state relative to poor relief, referral and certification services for federal programs, and any other matters of relief or public assistance not administered by some other department or agency in the county, requiring the expenditure of public money. The board shall act as the appointing authority for the personnel of the department. All orders, including certificates of Old Age Assistance, Blind Pensions, and Aid to Dependent Children allowed by the department shall be signed by the chairman of the board or such member or employee of the department as the board may by resolution direct.

Section 3. (d). BOARD OF WELFARE, COMPENSATION. Each member of the Board of Welfare shall be allowed as compensation for services and expenses the prevailing per diem rate of County Board members and mileage for each mile travelled in going to and returning from the place of meeting by the most usual travel route at the prevailing mileage rate for County Board members.

Section 4. DEPARTMENT DIRECTOR, APPOINTMENT. The Board of Welfare shall select a Director of Welfare in conformity with the rules and regulations of the State Department of Public Welfare as provided in section 49.50 (2) Wis. Stats., and acts amendatory thereto, and shall prescribe the functions, duties and powers of the director.

Section 5. DEPARTMENT EMPLOYEES, APPOINTMENT. The Director of Welfare, subject to the approval and consent of the Board of Welfare, shall select such other employees as may be nec.

essary in conformity with law, and shall prescribe their functions and duties.

Section 6. DIRECTOR AND EMPLOYEES, COMPENSATION. The compensation and mileage allowance of the Director of Welfare and Department employees shall be fixed by the Board of Welfare in conformity with law and the rules and regulations of the State Department of Public Welfare.

Section 7. ANNUAL DEPARTMENTAL REPORT. It shall be the duty of the Department of Public Welfare to make an annual report to the County Board at its November meeting upon its work during the year.

Section 8. GENERAL PROVISIONS. To the end that Jefferson County may be entitled to receive federal and state reimbursements for old age assistance, aid to dependent children, blind aid, and any other form of assistance under its jurisdiction, all members of the Department of Public Welfare and employees performing any duties in connection with the administration of these forms of public assistance shall observe and abide by all rules and regulations made and promulgated by the State Department of Public Welfare as well as all statutes in reference thereto, and shall keep such records and furnish all reports which said departments may require in regard to their performance of such duties. All records relating to the administration of these forms of public assistance shall be open for inspection and audit at all reasonable hours by any member of the State Department of Public Welfare or any duly authorized employee or by any duly authorized representative of the federal government or the Welfare Committee of the Jefferson County Board. The County Department of Public Welfare shall keep a separate record of the expenses of the administration of the different functions of the department; namely, old age assistance, blind pensions, aid to dependent children, and other matters of relief or public assistance administered under this ordinance.

Section 9. The Welfare Committee of the County Board shall act in an advisory capacity to all functions of the Welfare Board.

Section 10. The provisions of this ordinance shall supersede any inconsistent provision of any other ordinance or resolution relating to the subject matter of this ordinance.

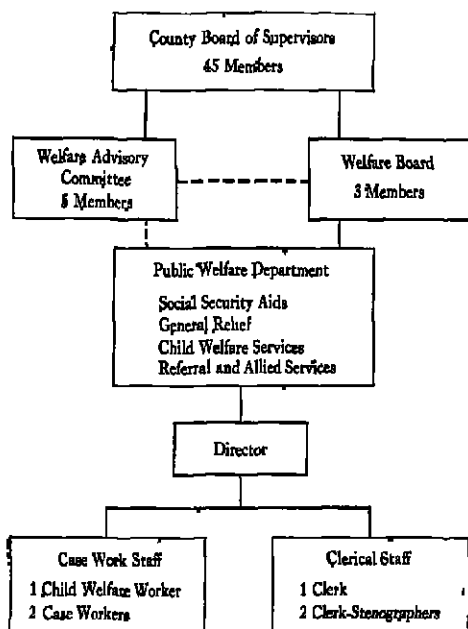
Section 11. The county clerk is hereby directed to transmit to the division of public assistance of the state department of public welfare a certified copy of this ordinance.

Section 12. This ordinance shall take effect March 2, 1942.

The following Resolution was passed by the Jefferson County Board of Supervisors, Jefferson, Wisconsin, at its meeting on January 23, 1945:

Whereas, it has been called to the attention of the Jefferson County Department of Public Welfare by the Division of Public Assistance of the State Department of Public Welfare that the Ordinance passed

Organization of the Jefferson County (Wisconsin) Public
Welfare Department, 1948



by the Jefferson County Board of Supervisors at their January 27, 1942, meeting, relative to the creation of the Jefferson County Department of Public Welfare, omitted mention of Child Welfare services in that department;

Therefore, be it resolved that such Ordinance is hereby amended to add to Section 3, Paragraph (c) the following:

It shall be the duty of the Jefferson County Department of Public Welfare and it shall have power and authority: To investigate conditions surrounding mentally defective, dependent, neglected and illegitimate children within the county and to take every reasonable action within its power to secure for them the full benefit of all laws enacted for their benefit. This duty shall be discharged in cooperation with the juvenile court and with the public officers or board legally responsible for the administration and enforcement of these laws. The licensing of foster homes shall be done in conformity with the rules and regulations of the Division of Child Welfare. The Director of the Department of Public Welfare, subject to the approval

of the Board of Public Welfare and in conformance with the County Merit System Plan as provided by the State Department of Public Welfare shall employ and prescribe the duties of such personnel as may be required in the performance of these duties.

A certified copy of this amendment shall be prepared by the county clerk and submitted to the State Department of Public Welfare.

PUBLIC WELFARE AND OTHER LOCAL SERVICES

Public welfare, in spite of the fact that it has emerged as a major governmental service only since 1932, is one of the best administered local services. This is true because of the influence of state and federal financial aid and supervision. Nevertheless public welfare is still administered in the localities and is subject to all the strengths and limitations of county government.

Our present county governments, like Topsy, "jest grew up" and have developed without much over-all planning and conscious direction. New functions have, from time to time, been given to areas of local government as it became necessary for the government to do new things. Public welfare of today is not the same as poor relief of yesterday, but in many respects county government has not been changed to meet modern problems.

The chief problem of county government appears to be structure. Improvements in methods of government administration are being developed, but they cannot be effective as long as county government is as unwieldy as it is. Special county officers, special boards, and new services of various kinds have been added with comparatively little attention to over-all planning.

The reformers usually suggest starting with the size of the county board, which should consist of from three to seven members (depending upon population) elected at large from the county. Such a board should continue to do what present boards do: determine basic policies, fix taxes, make appropriations, pass a budget, and let contracts.

Even if there was a major reform in county government that would bring administration up to date it would not solve all the problems of public welfare. Public welfare — because of state and federal aid — creates some of its own problems. There are still many unanswered questions. To what extent should standards be developed without regard to standards in other county services? Is public welfare more important in a free, democratic society than public education? Should the employees in an agency be selected with more rigid regard to the principle of merit than other local employees?

Should the public welfare service be in a favored position, because most of its money comes from other areas of government, in securing county revenues?

In the final analysis, public welfare in America will stand or fall not upon standards that are unique to that service, but upon the strength of the total fabric of local government.

Selected Bibliography

- William Anderson, *The Units of Government in the United States* (Publication, No. 12, Public Administration Service, Chicago, 1934).
- Arthur W. Bromage, *American County Government* (New York: Holston House, Sears Publishing, 1933).
- Mary Ruth Colby, *The County as an Administrative Unit in Social Work* (Washington: United States Children's Bureau Publication, No. 224, 1933).
- John A. Fairlie, *Local Government in Counties, Towns, and Villages* (New York: Century, 1914).
- Lane W. Lancaster, *Government in Rural America* (New York: Van Nostrand, 1937).
- Arthur C. Millspaugh, *Public Welfare Organization* (Washington: The Brookings Institution, 1935).
- Kirk H. Porter, *County and Township Government in the United States* (New York: Macmillan, 1922).

PART FOUR

Administrative Techniques

16. Administration and Administrative Management

ADMINISTRATION AND MANAGEMENT

Efficient administration in public service requires good management which is achieved only through special training and experience. The President's Committee on Administrative Management noted, it "is not merely a matter of paper clips, time clocks, and standardized economies of motion. These are but minor gadgets. Real efficiency goes much deeper down. It must be built into the structure of a government just as it is built into a piece of machinery."¹

The principles of good management are well known. They have been distilled through the generations that men have been working together in common tasks. As the same committee remarked, "they have been written into constitutions, charters, and articles of incorporation, and exist as habits of work in the daily life of all organized people."²

Administration and administrative management in all forms of public service center around the chief executive officer and his aides. Management is particularly concerned with staff organization, personnel, fiscal control, and other elements essential for good government. In this chapter we shall discuss some of the problems of administrative management in public welfare.

Public welfare administration is complicated by the role of three areas of government — federal, state, and local — in the total administrative process. There are certain basic similarities in all branches of public administration; thus many of the problems of administrative management in public welfare are no different than those of other public agencies. The differences between public welfare and other forms of public administration, however, are very important. Public welfare administration requires experience and

¹ The President's Committee on Administrative Management, *Report of the Committee with Studies of Administrative Management in the Federal Government* (Washington: Government Printing Office, 1937), p. 3.

² *Ibid.*

familiarity with the service and an appreciation of the philosophy and goals of social work. It is these unique factors, rather than the basic similarities of all forms of public administration, that are most important.

OVERHEAD CONTROLS

Overhead controls³ are the same for all public agencies. All state agencies, irrespective of their apparent independence and autonomy, are subject to control and supervision. The governor, through his power as chief executive, exercises a large measure of control. The legislature, through its power to levy taxes, appropriate funds, and legislate basic policy, exercises control. The attorney general, who assigns counsel to the agency, has a voice in the operation of the agency. The state budget director, who has certain powers in regard to the allocation and expenditure of funds, also exercises control over the agency.

The judiciary may likewise be classified as one of the overhead controls. While the courts, thanks to the doctrine of the separation of powers, are not administrative agencies they often exercise control. The courts, through their power to review state legislation, often are called upon to interpret the meaning of words and phrases in statutes. Courts of western states have had to interpret the meaning of *need* in old-age assistance administration. Specifically, they have had to answer this question: Is a state agency regulation stating that homes owned by recipients shall all be considered as resources of \$10 compatible with the meaning of individual need in the state statutes? In answering this question negatively the courts have placed limitations upon the administrative power of the state public welfare authorities.⁴

³ For a more detailed discussion of overhead controls see Arthur C. Mills-paugh, *Public Welfare Organization* (Washington: The Brookings Institution, 1935), pp. 582-610.

⁴ In Illinois the original old-age assistance act, in conformity with federal requirements, provided for fair hearings for dissatisfied applicants and recipients. The statute provided that these dissatisfied applicants could secure a judicial determination of their exact need. This part of the statute later was declared unconstitutional by the state supreme court. The court reasoned that the determination of need is an administrative, not a judicial matter. Eligibility for assistance, remarked the court, "is a question to which a categorical affirmative or negative answer is rarely possible." [*Borreson v. Department of Public Welfare*, 368 Ill. 425 (1938).]

DEVELOPMENT OF PUBLIC ADMINISTRATION

Large scale development of public administration has come about in recent times. In colonial days, judicial and administrative functions were often given to the same individual. The justice of the peace was, for example, such an officer; today he has been relieved of nearly all but legal functions. Many of the courts also were given administrative functions, such as the management of trusts. Even as late as the first two decades of the present century courts were often given responsibility for administering old-age assistance, blind relief, and mother's pension. As late as 1949 several counties — including Milwaukee County — in Wisconsin still had court administration of the social security aids. The trend, however, has definitely been in the direction of less and less administrative authority in the courts.

The general police power of the state — the authority to protect the health, safety, morals, and the general welfare of the citizens — has been exercised in such a way as to require the use of discretionary administrative authority. Public health legislation has often given an administrative officer the power to issue specific orders requiring the removal of sources of disease. Tax assessors have had, for many years, the power to set standards for the assessment of property and these powers have been held to be conclusive by the courts. The granting of public aid — which, as we have seen, dates from pre-colonial times — has also involved administrative discretion. So has the control of immigration, the administration of unemployment compensation, and the operation of many other services.

The administrative powers mentioned above have, in the main, been known for some time. With the development of new services for a modern society, discretionary administration authority has broadened the frontiers of administrative regulation. In many instances we were ill-prepared to assume these responsibilities and even today the art of public administration still is relatively undeveloped.

The history of government regulation of railroads is a case in point. Originally the states performed this function through the courts, but a more flexible form of regulation was needed and some states established special regulatory commissions. Even so the problem became too vast and complicated in scope for the states alone. In 1887, the federal government, profiting from the experience of the states, established a regulatory commission (the Interstate Commerce

Commission⁴) to handle this complicated task. The commission's powers were neither judicial nor executive, but broadly administrative.

The attempt to regulate trusts has had a similar history. When action first became necessary in this field the state prohibited certain practices. This pattern was taken over by the federal government with the passage of the Sherman Anti-Trust Act in 1890. In 1914 a new agency, the Federal Trade Commission, was created with the power to make investigations and to issue "cease and desist" orders. Since then at least eight similar federal commissions have been created to cope with regulatory problems in other fields.

DEVELOPMENT OF THE ADMINISTRATIVE PROCESS IN PRIVATE SOCIAL AGENCIES

Public welfare administration has been retarded because of the relative unimportance of the administrative process in private social work. During the depression and post-depression periods many of the experienced administrators in the newly-developed public welfare agencies came from private agencies, where administration was secondary to professional service. Indeed, it was not even thought of as a separate agency function.

This fact can be more readily appreciated when one examines the early bibliography of administration in private social agencies.⁵ The early articles on the executive in social work, for example, dealt with "That Desk of Yours," "Planning the Day's Work," and "Four Keys to Efficiency." There was much concern with the executive's relations with his board of directors. Much of the early literature dealt with the organization of private social agencies in communities. A pamphlet by Francis H. MacLean on *The Formation of Charity Organization Societies in Smaller Cities*⁶ was one of the earliest and best of these contributions. The administrative process, however, received slight attention until after the development of central fund-raising during World War I.

The cooperative movement in social work, as central fund-raising

⁴ For a definitive history of the Interstate Commerce Commission see I. L. Sharfman, *The Interstate Commerce Commission: A Study in Administrative Law and Procedure* (New York: The Commonwealth Fund, 1931-1937, 5 Vols.)

⁵ An extensive bibliography on administration was compiled by W. W. Burke in 1927 and published in *The Social Service Review*, Vol. I, No. 1 (March, 1927), pp. 104-16 and in *Ibid.*, Vol. I, No. 2 (June, 1927), pp. 270-90.

⁶ New York: Russell Sage Foundation, 1911.

was first called, originated with the inauguration of the Cleveland Federation for Charity and Philanthropy in 1913. A number of earlier efforts, particularly one in Denver, preceded this experiment, but the Cleveland plan appears to have been the first successful development. In Cleveland it was recognized that an able staff was necessary for fund-raising and that the program had to be managed by professionals.

Gradually the idea spread to other cities, but widespread expansion came only with World War I. At that time the YMCA, the American Red Cross, the Knights of Columbus, the Jewish Welfare Board for Army and Navy, the Salvation Army, and the War Camp Community Service requested and received great sums of money. Numerous agencies came into existence to assist the French, the Belgians, the Armenians, and other special groups in need because of the war. One special campaign after another led to the establishment of war chests throughout the country.

While the war chests brought order out of chaos in the raising of money for charitable purposes they also made many mistakes. One of these was the issuing of statements declaring that they would provide enough money to stop all solicitation and to take care of all appeals for all purposes. Such a promise could not be fulfilled when the war chests were essentially local and many of the agencies were national and international. A second mistake of the war chests was that many of them ignored budgetary principles. Any chest should know in advance the funds required by the participating agencies. Many of the war chests, however, merely announced that they would raise money for war purposes, never stating to which agencies the funds would be allocated. As a result, many of the war agencies had to struggle desperately to receive sufficient funds. Still another mistake was that the war chests seldom recognized the special sentimental appeal of certain agencies. Catholics, for example, had special interests in the Knights of Columbus; Jews were especially interested in the Jewish War Sufferers; many Protestants were particularly concerned with the YMCA; and the Red Cross had special patrons. War chest staff members often discounted these special interests and concentrated exclusively upon the raising of funds.⁸ The private agencies had no more than a decade of experience in most cities between the inauguration of central fund-raising and the onset of the depression.

The depression made it necessary for private and public agencies

⁸ William J. Norton, *The Cooperative Movement in Social Work* (New York: Macmillan, 1927), p. 112.

to realign their respective activities which the subsidy system had prevented prior to this time. During the early days of the depression private agencies threw all their resources into meeting the tragic needs of the unemployed. From 1929 to 1933 the relief expenditures of private agencies were greater than at any other period in their history. A large portion of these funds was from public subsidies. The famous order of the Federal Emergency Relief Administrator declaring that public funds should be spent by public agencies stopped federal subsidies. It did not end state subsidies at once, but it established a policy which forced an immediate clarification of the working relationships of public and private agencies.⁹

Government acceptance of responsibility for the care of dependent persons was not new. Actually the major portion of money expended for relief had for many years come from tax funds. Public funds furnished the bulk of relief in the so-called "normal" year of 1929. In that year public relief funds (including mothers' pensions, blind pensions, old-age pensions, and public relief department expenditures) accounted for more than \$3,000,000 per month, or slightly more than 75 per cent of total relief expenditures. In 1931, despite the heated campaigns of community chests, tax funds still accounted for 71 per cent of total relief expenditures. By 1933 private agency relief expenditures accounted for only 6.3 per cent of total relief expenditures.¹⁰

The elimination of the subsidy system, however, was something new. Many social workers in private agencies had long questioned the wisdom of the subsidy system, but it had become a tradition and it was difficult to give up the habit-patterns associated with it. A distinguished leader in the private family welfare field referred to the subsidy system in 1934 as a habit-forming narcotic, injurious to both private and public agency developments.¹¹ Nevertheless there were many arguments advanced for the retention of the system.

The subsidy system was more than an evil in its own right. As in the case of the struggle to secure central fund-raising, it served to diminish the intellectual strength of public and private agency personnel. Executives were not in a position to devote their energies

⁹ Linton B. Swift, *New Alignments Between Public and Private Agencies in a Community Family Welfare and Relief Program* (New York: Family Welfare Association of America, 1934), p. 1.

¹⁰ Based upon data from the United States Children's Bureau as quoted in Arthur P. Miles, *Federal Aid and Public Assistance in Illinois* (Chicago: University of Chicago Press, 1941), pp. 6-7.

¹¹ Swift, *op. cit.*, p. 203.

to the development of administrative techniques while they were fighting for a cause such as the retention or elimination of the subsidy system. In this respect it was a major deterrent in the development of administrative processes in private social agencies.

In 1929 Porter Lee asked this question: Are social workers attempting to carry on social service as a function of society "with many of the habits, methods, and machinery which are more appropriate to the cause?"¹² The answer to Lee's question as shown by the later history of social welfare was *yes*. This accounts, in large measure, for the slow development of the administrative process in public welfare.

CHIEF EXECUTIVE

Every public welfare agency has one or more chief executives¹³ who are responsible for the administrative management of the agency. There is a popular fallacy that the administrative problems of a social agency, a forestry service, a railroad, or a sewage disposal plant are so similar as to require similar educational preparation. While it must be admitted that the administrative process is similar in many respects, it is also true that familiarity and identification with the particular service are important elements in administration.

Luther Gulick believes that there is a general administrator and he invented the fascinating word POSDCORB to classify the duties of this person.¹⁴ Not all authorities in public administration share Gulick's enthusiasm for this word. Lewis Merriam has offered a

¹² Porter R. Lee, *Social Work as Cause and Function and Other Papers* (New York: Columbia University Press, 1937), p. 3. This essay was the presidential address at the National Conference of Social Work, 1929, and was originally published in the Conference's *Proceedings* for 1929. Lee defined a cause as "a movement directed toward the elimination of an entrenched evil." But a function "implies an organized effort incorporated into the machinery of community life in the discharge of which the acquiescence at least, and ultimately the support of the entire community is assumed." He listed zeal as one of the chief traits of the adherents of a cause; intelligence as the most essential requirement for those administering functions.

¹³ In a few state public welfare agencies the duties of the chief executive are divided among several paid board members or commissioners.

¹⁴ Luther Gulick and L. Urwick (Eds.), *Papers on the Science of Administration* (New York: Institute of Public Administration of Columbia University, 1937), p. 13. In the word POSDCORB P stands for Planning, O for Organizing, S for Staffing, D for Directing, CO for Coordinating, R for Reporting, and B for Budgeting.

criticism; he is willing to concede that it is true that these seven broad categories are common to virtually all administrative positions, but he doubts if the existence of these common factors proves that all administrative positions are sufficiently alike to warrant the establishment of a class of general administrators.¹⁵

Merriam adds that many factors have been omitted from POSDCORB, the most important of which is knowledge of the subject matter of the particular field. In a study of positions in public administration he believes that there are two broad areas of subject matter: (1) subject matter that is the foundation of various professions, often taught in universities, and (2) detailed procedures of administration (fiscal procedure of the national government, for example) not taught in universities.¹⁶ The first is professional, the second vocational in character. Both may be present in a given administrative position, but where definite professional preparation is required it appears to be more important than the details involved in POSDCORB.

Many good public welfare executives have come from fields other than social work. At the present time more and more executive positions are being filled by those who have had experience in public welfare agencies and have been promoted within the agency from one position to another. While not all persons in professional positions have the necessary executive ability those who do have should be selected for administrative responsibility. In administrative work, as the late Pierce Atwater has noted, many shades and variations of judgment are required. The more refined of these distinctions must be made with exactness. This requires a detailed knowledge of the field in which one is serving. Is it possible for a railroad executive to make adequate decisions as to what is good case work supervision? Is it possible for a social work executive to determine who would make a good freight agent? It is to be admitted that the principles of raising and spending money are the same in railroad management as in social work management, but the routine of handling these matters is different and, more significantly, the theory and philosophy of the two are not the same.¹⁷

The chief executive of a public welfare agency must be able to accept responsibilities. He has a responsibility greater than that of the case worker, for his judgment and decisions represent responsibility

¹⁵ Lewis Merriam, *Public Service and Special Training* (Chicago: University of Chicago Press, 1936), p. 2.

¹⁶ *Ibid.*, pp. 2-3.

¹⁷ Pierce Atwater, "Problems of Administration in Social Work" (St. Paul: McClain & Hedman, 1937, mimeographed), p. 165.

for all the clients served by the agency. Likewise he has a responsibility to the public as represented by his board. If the board decides that the determination of eligibility shall become more rigid the chief executive must assume the responsibility for interpreting this to the staff and the public. To be sure, he should be a man of principle and integrity who is able to campaign for higher standards, but he must also accept a great share of the responsibility for the introduction of conservative as well as progressive policies.

All the qualities which the ideal executive should possess are rarely found in any one individual. Clarence King has declared that the ideal administrator should be, at one and the same time, a great staff leader and a great leader of his board. An executive should be socially alert, mentally keen, possessed of originality and leadership (but also able to accept criticism profitably), and have capacity for group leadership. These are only a few of the traits listed by Mr. King who based his classification upon the work of a committee of social work executives.¹⁸ These executives who listed their own shortcomings must have been persons of great humility: the ideal they pictured has not yet been discovered.

The qualifications of the chief executive in a public welfare agency may be summarized in relatively simple terms. The chief executive in a public welfare agency is a man hired to make decisions. He is a success if his staff and board think he is right more than half of the time.

The chief executive does not carry out the numerous tasks of a public welfare agency alone. He is dependent upon the personnel of the agency for most of the details and much of the planning. The executive must be a man with vision who is more interested in the long view than in the immediate details. Some people have this capacity and others do not. Those who have it are usually not born geniuses. Administrative work requires intelligence, but it also requires personal balance and a respect for the individuality of other human beings. As Lord Acton remarked many years ago, "power corrupts and absolute power corrupts absolutely." In a large public welfare agency the executive is possessed of tremendous power. The wise executive realizes that this power must be exercised with democratic wisdom and discretion. He recognizes that the people determine the course of events in a democracy. Thus his power is exercised within limitations set by the decisions of a board and the controls established by the legislature. He also recognizes that no human

¹⁸ Clarence King, "The Necessary Executive," *Survey Monthly*, Vol. LXXIV, No. 1 (January, 1938), p. 12.

being is possessed of oracular powers and that many minds on his staff are at least the equal of his. Therefore he takes advantage of his staff in policy-making and planning.

The selection, retention, and promotion of qualified personnel is one of the most important tasks of the public welfare executive.¹⁰ In addition to understanding the operation of civil service the chief executive must know how to delegate responsibility to the staff members. Too many executives think of their organizations along the militaristic ideology of line and staff: orders are issued by the high command, dispatched to the subexecutive, and put into operation by minor employees who may not be known to the top executive. Examples of this type of mentality are in daily evidence in social work. Letters are signed by Administrators, Commissioners, and Regional Directors that are not written by them. While this is known to those who receive the letters it is hardly compatible with the freedom and personal initiative that should belong to individuals in a democratic society. It is also found in private social agencies where letters are signed "Rachael Roe, Executive Director by Dorothy Doe, Chief Case Work Supervisor." Actually the letter was written by Jennie Jones, Case Worker, who was under the supervision of Mary Marvel, Case Work Supervisor. Jennie has had four years of college training plus two years of graduate work in social work. It is assumed that she knows how to read and write. Why deny her the privilege of signing her own letters?

Letter writing is not the only example of the lack of real staff participation in public and private social agency administration. The chief executive who believes that he has a monopoly on public relations is another example. There is evidence that many public and private welfare executives have a proprietary interest in their staff. Actually, the wisest executive is one who has respect for the staff. He realizes that while his personal ability may have had something to do with his present position, the "divine right of kings" died centuries ago and that many members of the staff could do his job as well as he. When the chief executive arrives at this kind of democratic humility, and only then, is he able to utilize his associates in the administration of the agency. Administration is a function of all the employees, not the personal property of the "top brass."

¹⁰ See Chapter 17 for a more detailed discussion of personnel in public welfare.

ELEMENTS OF ADMINISTRATIVE MANAGEMENT

When one analyzes the details of administrative management he recognizes certain factors that appear in all kinds of public administration. From the managerial point of view they may seem commonplace, but to the student of administration they are all-important. Such an analysis is especially important in the field of public welfare where there is a relatively small number of skilled and experienced administrators.

What are these elements of administrative management that are common to all types of public welfare agencies? Marietta Stevenson has listed seven principal elements:²⁰ planning, organization, personnel administration, direction, coordination, budgeting, and reporting. These elements are, of course, based upon the term POSDCORB which we have discussed.

Obviously, the first element in administration is planning. Many social workers in private agencies who find themselves with administrative responsibility are unable to plan properly. They have been concerned for many years almost exclusively with the person-to-person relationships of case workers and clients in a small, sheltered private agency. As a result they are not psychologically prepared for that phase of administration requiring planning.

There are at least two important phases of planning in a public welfare agency. One is the planning of the day-to-day activities in the agency; the other is the long range planning in respect to such factors as legislation and in-service training. The public welfare administrator must know how to allocate his own time and that of his staff members. He must also know how to assist the staff members in the determination of policy. The allocation of funds for the various services of the agency is also an important part of planning. In addition to these factors the administrator must have a long range plan for his agency. This means, in particular, that he must have a legislative policy if he is operating a state agency. It means that he must be well acquainted with the changes in the program that must be requested of the legislature. It implies also that he knows what these changes will cost and that he can present his agency's case before legislative committees in an effective and convincing manner.

The second element is organization: The administrator must know how to organize as well as how to plan. In order to administer

²⁰ Marietta Stevenson, *Public Welfare Administration* (New York: Macmillan, 1938), pp. 175-85.

a program efficiently clear lines of administrative responsibility must be established. Related services must be placed in units where those with responsibility will be able to operate them efficiently and effectively. Staff members and the public should not be confused by overlapping jurisdictions, improper allocation of functions, and the absence of precise and meaningful rules and regulations.

Some statutes provide for the specific units within a state department of public welfare. In Wisconsin new divisions of the state department of public welfare must be created by statute. In some states the basic statute creating the state department makes provision for the creation of basic divisions, but grants the department the authority to reallocate functions and to create new divisions as required. This would seem to assure greater flexibility and place greater responsibility upon the administrator.

The third element is personnel administration. It is a truism that success in administration depends upon the quality of the personnel. In order to insure the proper selection of personnel the administrator must know the requirements for the various positions. He needs to know something about the requirements for accountants, statisticians, lawyers, and many other persons who are members of the public welfare team. He should have an appreciation of the contribution of the philosophy and theory of social work to public welfare administration and know the proper qualifications of social workers. Likewise, he should know some of the basic principles of civil service, especially in regard to service ratings, and understand how the civil service can operate advantageously for his particular service.

After the personnel has been selected the administrator must offer direction, the fourth element in administrative management. This does not mean that the administrator will give orders and the staff will obey his commands. It means that the administrator inspires the staff members, develops their morale, and helps them to see how they fit into the total service. The administrator must know the responsibilities of the various staff members and see that they understand these responsibilities and carry them out successfully. In the final analysis, it is the administrator who is responsible for the operation of the program. All rules and regulations, all policies, and all manuals are his personal responsibility.

To insure that all staff members understand their functions and their place in the organization and to insure the proper direction of the staff many state departments of public welfare have inaugurated in-service training programs. New staff members are inducted

into the service by a careful and complete explanation of the activities of the department; experienced employees are given refresher instructions in new techniques; new policies and procedures are explained and introduced in an educational manner.

The successful administrator must know how to evaluate the performance of staff members; to give credit where credit is due and to investigate inadequate job performance. This is essential in order to guarantee the future success of the program. Future division heads must be selected from the promising younger employees; the administrator should know who are the future leaders of the program.

Coordination is the fifth element. The administrator also has responsibility to see to it that all the activities of the department operate harmoniously. That is, they must be coordinated one with the other. Responsibilities must be delegated to assistants, employees must be kept informed of their duties and responsibilities, and orders must be routed through proper channels with a minimum of bureaucracy and red tape. Staff meetings, bulletins, and house organs are means of securing coordination.

While budgeting — the sixth element — might be considered a part of planning it is given separate treatment because of its importance in the total administrative process. Budgeting requires peculiar abilities of the administrator for there never is enough money to provide all the services requested by the staff. Therefore he deals with alternates: one branch of the service must be expanded while another is not. The administrator must be intelligently informed about the various units of the department so that a satisfactory allocation of funds can be made.

Budgeting in public welfare is a continuous and complicated process. The state administrator must apply for federal grants-in-aid and, in turn, allocate state and federal funds to the county departments of public welfare. On the one hand fiscal controls have to be established to insure that the funds be spent wisely. On the other hand, there must be enough flexibility to enable the administrator to make adjustments when needed.

The seventh, and final, element is reporting. A public welfare administrator must report to the public, his board, the legislature, and the governor. He must be especially competent in interpreting the needs of his department if he is going to secure the funds necessary for the essential operation of the program.

Reporting to the public is not confined to the statutory obligation of issuing an annual or biennial report. Public relations, through

the press, radio, and citizen groups, plays a major role. These activities should be either a personal responsibility of the administrator or under his close supervision.

OFFICE MANAGEMENT

The office of a state or large county department of public welfare involves many complex and detailed operations. The top managerial personnel, through the decisions of the board, assists in the determination of policy and has some responsibility for the execution of policy. The effective execution, however, comes only through sound office management. The office serves as a clearing house and performs the clerical functions common to the various divisions. It is a very important cog in the administrative machine and its significance must be recognized, understood, and appreciated by the administrative personnel.

In a large public welfare department there will be an office manager or a chief clerk in charge of the office. He has responsibility for the supervision of the clerical force of the department. Letters must be written, filing done, and mail opened and routed. The office manager or chief clerk must get these things done as he is under constant pressure from the division heads.

In order to carry out the many clerical functions assigned to him he must build up an adequate staff. This involves hiring personnel through the civil service system, orienting them to their jobs, and training them in the proper performance of their routines. Work must be done accurately, promptly, and economically.²¹

The role of the clerical staff, particularly that of the office manager or chief clerk, is important in the smooth functioning of a well-run department of public welfare. The administrator should recognize this and secure a chief clerk or business manager who is reasonably well educated and experienced. The business manager or chief clerk should possess sound judgment, open-mindedness, and be able to assume and delegate responsibility in order to be a leader of the clerical staff.²²

²¹ George M. Darlington, *Office Management* (New York: Ronald Press, 1935), especially pp. 3-19.

²² For a discussion of the qualifications of an office manager or chief clerk see F. W. Lawe, *Staff Management* (London: Institute of Labour Management, 1944).

PHYSICAL PLANT

It is self-evident that adequate physical facilities are required for the administration of a department of public welfare. Unfortunately many departments of public welfare still have, from the point of view of office space, the status of stepchildren. Office space seems to have been assigned to the department only after all other services have been housed. The wise administrator, however, does everything within his power to correct this situation. He endeavors to secure not only enough space, but an arrangement of space that is advantageous to the staff. In particular this includes provision for private rooms, especially in agencies (such as a county department of public welfare) where social workers interview clients, and comfortable waiting rooms for the clients.

Many state departments of public welfare have responsibility for the administration of institutional programs. Administrators in these departments, therefore, have more extensive duties for the management of physical plant and equipment. Formerly many of the old state boards of control were preoccupied with the management of the plants of the institutions. This was referred to as a "brick and mortar philosophy." Nevertheless the administrator of a department of public welfare who has responsibilities for the administration of institutions must acquaint himself with the special problems of their plants and equipment.

RECOGNITION OF THE ADMINISTRATIVE FUNCTION IN PUBLIC SOCIAL WORK

There has been a growing awareness of the importance of the administrative function in public social work, especially since the passage of the Social Security Act in 1935. The magnitude of the administrative problems in the public welfare service has forced this development. During recent years the literature of social work has been indicative of this development.

Not so long ago, as we have already noted, administration was considered as a minor activity in social agencies, to be given only secondary and casual consideration after the main job of the agency, social case treatment, was accomplished. This is no longer true even in private social agencies. The private case work agency's discovery of the administrative process in social work stems directly from developments in public welfare. As Virginia Robinson has commented, it was the development of public social work with the

movement of case workers into supervisory and administrative positions which brought about "a shift in these stereotypes from which case work and administration regarded each other."³³

When private agency case workers first moved into the public setting they were confused. Many of them came to the conclusion that the administration of public welfare had nothing in common with the professional standards of social case work. This old gulf, however, is being bridged and case workers are making important contributions to the administrative process in public welfare. Furthermore the development of the administrative process in public welfare has been instrumental in demonstrating the value of administrative techniques to the total field of social work.

More recently the social group workers have discovered the administrative process. A group worker recently concluded that administration is a "dynamic process" through which "the aims of an organization are determined, plans are made for achieving these aims and the plans are carried out." Thus administrative skill "lies in the successful steering of that process as a whole or of that part of it which falls to one's responsibility."³⁴ Another group worker describes administration "as a creative process in thinking, planning, and action inextricably bound up with the whole agency." He sees administration primarily in terms of social relationships stating that it is a process "of working with people to set goals, to build organizational relationships, to distribute responsibility, to conduct programs, and to evaluate accomplishments."³⁵

Thus we see that social workers, and not merely those in the public service, are now interested in the administrative process. It takes more than abstract principles to make a good administrator; administration is concerned with human relationships and professional social work, therefore, has much to contribute. In addition the administrator in a public welfare agency must learn the mechanics of his job. In doing so he must see more than individual cases, he must see the totality of his job in the agency setting. This requires more than an appreciation of the principles of administration and the philosophy of social work. It requires skill in day-to-day management that can be acquired only through disciplined experience.

³³ Virginia P. Robinson, "The Administrator's Function in Social Work," in *Four Papers on Professional Function* (New York: American Association of Social Workers, 1937), p. 23.

³⁴ Helen D. Beavers, *Administration in the YWCA* (New York: Woman's Press, 1944), p. 6.

³⁵ Harleigh B. Trecker, *The Group Process in Administration* (New York: Woman's Press, 1946), p. 14.

Selected Bibliography

- George M. Darlington, *Office Management* (New York: Ronald Press, 1935).
Four Papers on Professional Function (New York: American Association of Social Workers, 1937).
Luther Gulick and L. Urwick, *Papers on the Science of Administration* (New York: Institute of Public Administration of Columbia University, 1937).
Porter R. Lee, *Social Work as Cause and Function and Other Papers* (New York: Columbia University Press, 1937).
Lewis Merriam, *Public Service and Special Training* (Chicago: University of Chicago Press, 1936).
Arthur C. Millsbaugh, *Public Welfare Organization* (Washington: The Brookings Institution, 1935).
William J. Norton, *The Cooperative Movement in Social Work* (New York: Macmillan, 1927).
Marietta Stevenson, *Public Welfare Administration* (New York: Macmillan, 1938).
Linton B. Swift, *New Alignments Between Public and Private Agencies in a Community Family Welfare and Relief Program* (New York: Family Welfare Association of America, 1934).
Harleigh B. Trecker, *The Group Process in Administration* (New York: Woman's Press, 1946).

17. Personnel Administration

SOCIAL WORK AND CIVIL SERVICE

Social workers have an interest in personnel administration. The majority of social workers in the United States are employed in the public service, securing their positions through competitive civil service examinations. Retention and promotion in the service is dependent upon the caliber of personnel administration under civil service. The general public also has an interest in civil service in public welfare. The quality of the professional service rendered to the clients of public social agencies is dependent upon the effectiveness of the civil service system. Also the public welfare services require competent staffs to insure impartial and economical administration of the large sums of money spent.

Since the onset of the depression in the late twenties and early thirties social workers have recognized the necessity for a large public welfare service. They have, therefore, had to alter their opinion of civil service which has been described as a group of clerks working at slow speed on jobs which are theirs for life.¹ Social workers have had to recognize that bureaucracy is inevitable and that government must have an administrative system if the services demanded by the people are to be available.

While public service is an ancient institution, modern civil service is quite young. Historians have pointed out that the Roman Empire developed administrative techniques and a philosophy of government. The Roman tradition passed to the Church which developed, especially during the Middle Ages, a rather detailed administrative structure. The rising national states of western Europe were dependent upon large armies. These military needs, in turn, led to developments in the public service; large armies required funds which meant the creation of a service to impose and collect taxes.

The beginning of civil service, however, dates from the sixteenth century with the rise of national monarchies. Administration then began to emerge as a definite and specific function of government. At that time the service was royal rather than public, but since then

¹ Alice Campbell Klein, *Civil Service in Public Welfare* (New York: Russell Sage Foundation, 1940), pp. 19-20.

it has been gradually transformed to a public service. Parliaments decreased the rights of monarchs and the bureaucracy was sensitive to these developments. These changes were taking place in England from 1688 to 1870 when the principle of open competition for the public service was accepted as a result of middle-class pressure.²

HISTORY OF CIVIL SERVICE IN THE UNITED STATES

The merit principle was not applied to the selection of federal employees until the creation of the United States Civil Service Commission in 1883 with the passage of the Pendleton Act. This famous law, enacted "to regulate and improve the Civil Service of the United States," was the culmination of several decades of prolonged struggle against the spoils system and the spoilsmen who operated it.

The spoils system did not originate with the founding of the government of the United States. As a matter of fact the first four decades of our national history were singularly free of this evil. George Washington was careful and considerate in the appointments he made. In general, John Adams followed Washington's example, but within a few days before his retirement, he appointed a large number of anti-Jeffersonians to public offices, particularly federal judges. President Jefferson, in order to carry out his political policies, was forced to remove these office-holders and appoint persons who shared the political philosophy of his party. In spite of this deviation most of Jefferson's appointments were based upon merit rather than political affiliation. Madison, Monroe, and John Quincy Adams selected personnel primarily on the ability of office-holders to perform the duties of the various jobs. With the inauguration of President Jackson all this was changed.³

President Jackson was not operating illegally, he was merely taking advantage of his political opportunities, particularly those created by the Tenure of Office Act which had been passed by Congress May 15, 1820. This law specified a maximum tenure of four years

² William E. Mosher and J. Donald Kingale, *Public Personnel Administration* (New York: Harper, Revised Edition, 1941), pp. 3-7.

³ Jackson's system of rotation-in-office was not conceived entirely as a political measure, but also as a measure of reform. Jackson conceived of the official duties of government as being "so plain and simple that men of intelligence may readily qualify themselves for their performance." [Arthur M. Schlesinger, Jr., *The Age of Jackson* (Boston: Little, Brown, 1945, p. 45)].

for numerous federal positions, presumably so that the dishonest and inefficient could be removed. It was Jackson who realized the political possibilities of this act.

The spoils system apparently originated in New York State and was introduced into the federal service by Martin Van Buren when he was Secretary of State. The principle of rewarding partisan political activity by appointment to government office had been carefully worked out by the New York State "machine," also called the Albany Regency, of which Van Buren was a part. It was introduced into the federal service when President Jackson assumed office on March 4, 1829, and the institution was obligingly perpetuated by his successors for more than fifty years.

During this time there were periodic attempts at reform, but it took the assassination of President Garfield by a disappointed office-seeker in 1881 to dramatize the evils of the spoils system. This tragedy resulted in the passage of the Pendleton Act in 1883.

The new law was relatively simple. A United States Civil Service Commission of three members, not more than two of whom might belong to the same political party, was created. The members of the commission were appointed by the President "with the advice and consent of the Senate." In addition the law provided for selection of government employees by open competitive examination. Vacancies to positions were to be filled by those ranking highest in the examinations and appointments were to be apportioned among the states and territories on the basis of population. A probationary period was provided for the selected employees, political activities by employees were strictly prohibited, and noncompetitive examinations could be given only under certain specified conditions. Thus the basic principles of modern civil service were contained in the Pendleton Act.⁴

There has been a steady expansion of civil service since the passage of this Act. Most extensions have come through executive orders rather than by statutes. The development of the system can be seen in more specific detail by an analysis of the number of positions subject to civil service competition in the federal government from 1883-1939. In 1883, 13,780 positions out of 131,208 (10.5 per cent) were subject to civil service. By 1900, 45.62 per cent of all positions (94,893 out of 208,000) were under civil service. With a few exceptions (such as the early years of the New Deal when emergency agencies not under civil service were created) the percentage covered

⁴ Darrell Hevenor Smith, *The United States Civil Service Commission* (Baltimore: Johns Hopkins Press, 1928), pp. 1-14.

by civil service has continued to grow. In 1947 81 per cent (1,733,039 out of 2,128,648) of all federal positions were under civil service.⁵

Many of the states and municipalities also created civil service systems. New York and Massachusetts were the first states to do so (1883 and 1884 respectively), and in 1905 Wisconsin and Illinois followed suit. Next came Colorado (1907), New Jersey (1908), Ohio (1912), California and Connecticut (1913), Kansas (1915), Maryland (1920), Maine, Michigan, Arkansas, and Tennessee (1937), and Alabama, Minnesota, New Mexico, and Rhode Island (1939). Many of the state systems have been weak and ineffective; for example, the Kansas law, while on the statute books, was inoperative because the legislature did not vote appropriations.

Very few of the 3034 counties in the United States have civil service systems; Mosher and Kingsley list only twelve counties.⁶ The first county system (Cook, Illinois) was started in 1895, but the overwhelming majority of the employees of counties are still subject to the spoils system. American cities, however, have had a more progressive history and there has been commendable growth since the first city civil service commission was authorized by New York in 1884. Mosher and Kingsley have estimated that 68.3 per cent of all cities from 50,000 to 100,000 in population and 84.9 per cent of those 100,000 and over have civil service.⁷

STATE MERIT SYSTEMS FOR SOCIAL SECURITY

In recent years the greatest expansion of civil service has come about in connection with the Social Security Act. The requirement of a state merit system for the selection of employees for the federally aided unemployment compensation, public assistance, public health, and welfare services has resulted in the establishment of special merit systems rather than state-wide civil service for all state employees. This has been done either by special statutory authority or by executive action.

The Social Security Act as originally passed by Congress, August 14, 1935, gave no specific authority to the Social Security Board, the United States Public Health Service, or the United States Children's

⁵ *Annual Report of the U.S. Civil Service Commission, 1947*, Table 8, p. 77.

⁶ Los Angeles, Alameda, San Diego, and Sacramento counties, California; Dane and Milwaukee counties, Wisconsin; Jefferson and Mobile, Alabama; Nassau, New York; Cook, Illinois; Mecklenburg, North Carolina; and Multnomah, Oregon.

⁷ Mosher and Kingsley, *op. cit.*, pp. 25-31.

Bureau to control personnel standards. These agencies were given responsibility for the efficient administration of the Act and this was interpreted, especially by the Social Security Board, to mean that the state plans should include acceptable methods of personnel administration. However, the Act was amended in 1939 so as to give real authority to the federal agencies in this respect. Effective January 1, 1940, an acceptable state merit system became a condition for receiving grants-in-aid. Immediately after the passage of this amendment the Board established the State Technical Advisory Service to assist the states in meeting this standard. In November, 1939, the standards, in accordance with the amendment, were issued to the states. These standards required that an acceptable merit system had to cover all employees, state and local, administering programs financed in part by the funds administered by the Social Security Board. The states could exclude the executive heads of departments, board and commission members, attorneys, and the confidential secretaries to executive heads. In general the standards prescribed followed accepted standards for state and federal civil service systems.⁸

Under these standards employees were barred from participating in political activities. Religious and political considerations were eliminated as qualifications for employment. The state agencies were required to adopt an examination procedure, install and administer a classification plan, and to establish numerous other standards of sound merit systems. In some states civil service commissions were in existence that were qualified to operate such systems. Other states did not have state-wide civil service systems and, of necessity, had to establish special state merit councils for the administration of civil service systems for social security employees.

Mrs. Alice C. Klein found that seventeen states took advantage of state-wide civil service laws in 1940, while seven states had authorization to set up an agency for the selection of public assistance employees and eighteen states had authorization for the public assistance department, as well as other social security agencies, to set up a special merit system.⁹ Within a few years most states utilized either a civil service system or a joint merit system designed especially

⁸ "Standards for a Merit System of Personnel Administration in State Employment Security and State Public Assistance Agencies" (issued by the Social Security Board, November 1, 1939, mimeographed). A similar statement was issued by the United States Children's Bureau of the Department of Labor.

⁹ Klein, *op. cit.*, p. 50.

for the agencies administering social security services. Under a joint merit system a state merit council selects employees for public health, unemployment compensation, and child welfare services in addition to public assistance. Whatever system is used there are certain technical problems in personnel administration that should be understood by public assistance workers. The actual details of administration of the system, however, are the responsibility of the merit or civil service system employees.

RECRUITMENT

One of the most important of these technical problems is the recruitment of qualified persons to take the various competitive examinations. Without a sound policy of recruitment there can be little hope of developing a first-rate staff.

Civil service developed around the recruitment process. The reformers were intent upon "keeping out the rascals" and recruitment was developed from this negative point of view. This assumption proved to be inadequate, but civil service systems have only recently become concerned with the positive aspects of recruitment.

The development of a positive program demands the discovery of the best employment markets and the diligent cultivation of these markets. Readable and attractive recruiting literature and timely publicity about the examinations are important aids. A positive recruitment program is also dependent upon the kinds of employees to be recruited. In general there are three classes of civil service employees: the competitive, the noncompetitive, and the exempt. Some positions, such as elected officials, are not in the classified service. Others, for example laborers, while in the classified service are not subject to examination.

Recruitment for those subject to the examination process is often limited. Theoretically, civil service is concerned with the recruitment of the best qualified individuals. This theory, however, is limited by various geographical requirements. Thus in many states the examinations are limited to those who have lived in the state for at least one year.

Another limiting factor is our educational system. The primary source of recruitment should be the schools and colleges of the country, but unfortunately their programs of instruction do not necessarily prepare students for careers in the public service. While there is a marked tendency toward technical specialization in American education, higher education is often not limited to those who

are most capable. In addition there has been a noticeable tendency to minimize educational qualifications and place greater emphasis upon practical experience.

The general public has a rather low opinion of the public service as a career. Under conditions of relatively full employment it is difficult to convince capable young men and women of the advantages in applying for civil service positions. The relatively low status of the public service is also seen in low salaries, especially for the beginning positions.

Another limiting factor is the budget cuts that occur on occasion, often wiping out whole series of classified positions. These economy drives do not add to the morale of the staff or assist in the recruitment of able employees in the future.

These factors imply that civil service recruitment programs should be attractive, imaginative, and forceful. They are usually the reverse: recruitment is often confined to routine announcements in newspapers and bulletins which cannot compete with the advertising and promotion of private industry.

Some civil service commissions have taken steps to overcome the difficulties involved in traditional recruitment. A list of essentials of good mailing procedures was developed in California. It includes: (1) timely notices, (2) prompt notification of candidates who are qualified, (3) inclusion of all pertinent data on notices, and (4) flexibility for new classifications.¹⁰ New York City has conducted regular radio programs for prospective candidates, as have Indiana, Michigan, and Illinois. Recently there have been efforts to place the dates for examinations near the time of graduation from academic institutions. In general there has been more interest in the recruitment of college seniors and graduate students. There are, therefore, indications that recruitment is becoming more positive and imaginative.

APPLICATION

Recruitment is designed to secure the maximum number of applicants for the various civil service positions. Application procedures, therefore, are an important element in the total civil service system; the link between recruitment and examination. The application procedure should screen out the unfit and limit the examination to those who are qualified. This means that the application blank should be

¹⁰ William Brownrigg and Louis J. Kroeger, *Towards Effective Recruiting* (Chicago: Pamphlet No. 7, Civil Service Assembly of the United States and Canada, 1937), p. 3.

so constructed that the unqualified can be eliminated from the examination. It has been found, however, that many of the civil service blanks are not ideally suited for this purpose. Dr. L. J. O'Rourke in his study of the application procedure of the United States Civil Service Commission found these to be the chief defects of application forms: (1) inadequate space for writing answers, (2) use of small, hard-to-read print, and (3) making questions appear inconspicuous by separating them with heavy rules.¹¹

This study resulted in redesigning federal application blanks and generating interest in the subject by other jurisdictions. The Civil Service Assembly, in a report on recruitment, mentioned the following as desirable characteristics: each item on the blank should refer to a single point, questions should be clearly phrased and require brief answers, specific instructions should accompany each question, and ample space should be given for the answers.¹²

EXAMINATIONS

The most important element in the civil service process is the examination procedure. Competitive examinations were designed to eliminate the unfit. Also it was hoped that civil service would give everyone an opportunity to compete. From the very beginning of the system, therefore, the examination process was the core of the system.

Civil Service examinations usually consist of statements of education and experience, and written and oral tests. All of these are graded and scored. Statements by candidates regarding education and experience have to be verified, formal examinations given for the written portion, oral examinations arranged, and a final score given to all candidates.

Certain agencies, particularly the federal government, prefer so-called "unassembled" examinations for top positions. High entrance requirements usually result in a relatively small number of candidates for these positions enabling the civil service commission to individualize all candidates. Letters are written to references, publications read and evaluated, and personal qualities investigated. Highly qualified technicians are supposed to prefer this procedure because it is presumably more dignified. Nevertheless it is still a questionable procedure; under competent supervision it may result in the selection of capable persons, but it is open to more abuse than the formal examination process.

¹¹ See *Annual Report of the U.S. Civil Service Commission, 1930*.

¹² Mosher and Kingsley, *op. cit.*, p. 150.

The general public usually considers the written examination to be the major part of the civil service system, and most of the criticism has been against this phase of the system. Critics have contended that the questions are designed for "greasy grinds," that the questions favor special groups, that catch questions are utilized to trap the unsuspecting, and that irrelevant questions are included. Nevertheless properly designed written examinations are the backbone of the system.

The essay type of question which calls for the elaboration of a single topic or series of topics is giving way to the short answer type of question. The candidate is usually asked to make a response in accordance with a symbol, a numeral, or a word; similar to questions on intelligence examinations. Completion questions may also be included; in these one key word or series of words is omitted and must be filled in by the candidate. Matching questions, where the candidate is given two series which must be properly paired, are also included. True-false problems, where each must be checked with a T or an F, are also used. The various types of short answer questions are relatively easy to set up and to grade. They do not, however, permit a candidate to make a positive statement on a controversial subject or to show the logic of his reasoning.

In addition oral examinations are given to those who pass written examinations. They are seldom given to clerks or manual laborers, but they have been considered as especially significant for all positions in teaching, social work, nursing, and supervisory or administrative positions. The increased use of oral examinations in recent years may be due to the limitations of written examinations. The oral examination is a meeting between the candidate and a small group of examiners. This process gives an opportunity for evaluating the candidate as a person and for the examiners to pass upon his fitness for a specific position. It is generally agreed that the oral examination has the same advantages as the essay type of question in a written examination — that is, it presumably treats the candidate as a personality rather than a segment of knowledge. While it may not be completely reliable, its use in combination with short answer written examinations is usually preferred.

The effectiveness of the oral examination depends, to a large extent, upon the caliber of the examining board. Usually civil service agencies select persons who are not associated with the administration of the service for which the candidates are being examined. Civil service agencies often use persons who are professionally qualified to examine the candidate in a technical manner plus others

who represent the general public and are searching for qualities of general intelligence and personality. At the present time the process is not fool proof and one should not expect miracles from a fifteen to twenty-five minute group interview.

WEIGHTING AND SCORING

In order to complete the examination process it is necessary for the civil service organization to evaluate the backgrounds of the respective candidates. That is, education and experience must be evaluated. In the unassembled examination this may be the final grade of the candidate, but for most examinations it is only a portion of the final score.

Scoring of the background, in order to be objective, is usually done on the basis of a prearranged table of values. In evaluating education, decisions must be made regarding the relative merits of specialized and general education, of the standards of the various educational institutions, importance of degrees in comparison with years of attendance, and the definition of equivalents to be allowed for education and experience.

In evaluating experience, the method usually is to classify it into classes according to the pertinence of the position for which the candidates are being examined. Decisions on these points must be closely scrutinized by the examiners; incumbents and public employees want special consideration, and veterans are eager to have military service equated as the highest type of experience.

Before the successful candidates are selected the written and oral examinations must be graded or scored. This is a highly technical process, but in general it consists of totaling up the "hits and misses" for a candidate, combining scores from all parts of the examination into total scores according to a formula, and listing all candidates in order of rank.

In order to grade the written examinations a key (standard set of answers) must be devised to use as a measuring stick. If the key contains all acceptable answers to each question totaling of all scores is a comparatively simple task. Naturally the scoring of essay type examinations is much more difficult, but usually a key is designed which assigns weights to the various items to be included in the answers. Essay examinations are usually graded by more than one person in order to minimize the personal bias of graders.

Oral examinations are more difficult to grade. The first element in the examination procedure is to isolate the various attributes

which the interview is presumably measuring. Then the norm against which this measurement is to be made must be determined. Each member of the oral board usually rates each individual examined independently, although some civil service organizations prefer to have all the members of the board agree on the score for each individual. Theoretically, it is contended that the reconciliation of opinion regarding the various candidates results in a fairer judgment of each candidate.

After grades for each part of the examination are given they must be combined. The weights for the various parts of the examination are always announced at the time the total is announced. The written examination is always given the heaviest weight in compiling the total score, often 70 or 75 per cent of the final grade. After the final scores have been determined for each individual, all scores must be distributed on a scale. Usually all who have grades as high or higher than the announced passing grade are ranked, from lowest to highest.

SELECTION

After the examination process has been completed the appointing officer is given a list of eligibles for a given position. Technically this is known as certifying. Candidates are notified and often are given certificates of eligibility, and appointment is then made by the operating agency from the list.

Practice differs in the various jurisdictions in regard to the degree of freedom given to the appointing officer. In some he must select the top person on the list, in others the "rule of three" is followed which permits him to select one of the first three on the list.

When an employee is first appointed he is probationary and may be dismissed for inadequate service. This period, usually six months although the federal service may specify one year, is necessary because examinations test for knowledge not for job performance. Also the safeguards placed around civil service employment make it difficult to remove employees who have acquired tenure.

Under certain conditions a list of those eligible for appointment may be exhausted before a new examination is given, or a new position may be created for which there is no list. In such situations it is obvious that a temporary or provisional appointment must be made. Unfortunately, numerous abuses are committed under the rule permitting temporary appointments. In many instances the appointees cannot qualify for regular appointments based upon com-

petitive examinations. However, many provisional appointees are given preference when the regular examination is given.

CLASSIFICATION

Classification ordinarily means the distribution of positions into classes based upon duties, although originally classification referred to the division of positions on the basis of the jurisdiction, or lack of jurisdiction, of the civil service organization. The use of the term in the manner first mentioned did not occur until 1912 when Chicago established an occupational classification of civil service positions.

Classification has been referred to as the most important step taken in the public personnel field since the passage of the civil service law.¹⁵ The civil service idea itself suggests the basis for classification. In order to fill positions on the basis of merit it was necessary to find out the duties of the various positions. In doing so it became apparent that many positions, irrespective of titles, were similar and should be grouped together in a single class. The economy and efficiency movement in public service also aided classification in civil service: centralized purchasing with uniform accounting procedures required a uniform job classification.

Classification is based upon the characteristics which make positions similar or dissimilar. The concepts of *position* and *class* are basic in classification. A position has certain definite duties and responsibilities irrespective of the personality of the individual doing the work. A class is a group of positions similar enough to warrant common treatment in selection and compensation.

Personnel technicians must undertake the process of classification; it cannot be done by the employees of the operating agencies. This is true for several reasons. In the first place, classification presents complicated technical problems which require the work of a specially trained staff. Secondly, an outside person brings a greater degree of objectivity to the work. Therefore classification is usually the responsibility of the civil service organization rather than of the operating agency.

How does the classification organization carry on this process? In general there are four basic steps. (1) The duties of the positions to be classified must be carefully analyzed; (2) the positions must be grouped into classes upon the basis of their similarities or differences; (3) descriptions of each class must be written; and (4) all individual positions must be assigned to classes.

¹⁵ Mosher and Kingsley, *op. cit.*, p. 407.

In order to carry out these steps it is necessary, first of all, to secure information on the duties of the position being studied, to discover the responsibilities of the position, and to secure information relating to the qualifications for the position. This information may be secured in a variety of ways; usually a questionnaire is used, supplemented by study of individual positions.

With the completion of these analyses the classification organizer is able to arrange the jobs into classes. This process is not mere routine and it involves a great deal of discrimination and judgment. There are many borderline cases to perplex the classifiers. One of the most difficult of all problems is to make decisions regarding employees who have multiple duties. For example, in a public welfare agency there may be a receptionist who actually spends two-thirds of her time as a typist. Hence the classification must be checked and rechecked.

After the classification is completed the classifying organization must then write definitions for the various classes. These write-ups include the class title, a statement of duties and responsibilities, a statement of typical tasks performed, and a statement of minimum qualifications. The following example is taken from "Announcement Bulletin, No. 38, of the Nebraska Merit System" issued April 19, 1947.

SENIOR CASE WORK SUPERVISOR

Definition:

Under general supervision, to perform difficult and responsible work of a professional nature in the development and maintenance of acceptable standards and uniform practices in the public assistance, child welfare, services for crippled children, and related programs; in most instances, to supervise a large staff of professional and nonprofessional employees in the county office; and to do related work as assigned.

Examples of Work Performed:

To supervise the social services in one of the more populous counties; to direct the development and maintenance of acceptable standards and the application of case work techniques in the county programs;

To plan and guide the development of procedures for intake, investigation, certification, treatment, rejection of applications, the handling of complaints and review of work;

To recommend policies, rules, and regulations, and to assist the County Welfare Administrator or County Director in the development of procedures for the effective administration of adopted policies and rules;

To participate in group meetings for the development of community interest in the programs and the problems pertaining thereto, and to cooperate with other agencies sponsoring related programs; to address civic and professional groups;

To guide the professional development and training of the entire social service staff, to be responsible for the supervision of such staff, and to evaluate staff performance.

Minimum Qualifications:

1. (a) Graduation from an accredited 4-year college or university and successful completion of one year of graduate study, or at least twenty-six semester hours, in a professionally recognized school of social work which shall have included three hundred clock hours of supervised field work, and at least three years within the last seven years of successful full-time paid social work employment in family or child welfare, public assistance, or emergency relief in a public or private welfare agency with acceptable standards, of which at least one year must have been in a responsible social work supervisory, consultative or executive capacity or must have included experience in the making of administrative studies; OR

(b) an equivalent combination of education and experience, substituting an additional year of graduate study in a professionally recognized school of social work for one year of the required experience; or substituting an additional year of social work employment in family or child welfare, public assistance, or emergency relief in a public or a private welfare agency with acceptable standards, for one year of graduate study, provided that the candidate's college work included professional courses in social work with three hundred clock hours of supervised field work. However, substitution shall not be allowed for the one year or required special experience in a responsible social work supervisory, consultative or executive capacity, or in the making of administrative studies.

The classification organization must install and administer the system. In order to do this the plan must be officially adopted either by legislation or administrative action and an agency (usually the civil service commission) must be designated to administer it. Finally the civil service commission must announce rules for the operation of the system, accept responsibility for keeping it up to date, and provide for appeals concerning allocations and other aspects of classification.

Classification should provide the service with a uniform terminology, simplify the work of the civil service organization, and improve internal administration. In short, it makes it possible for the civil service organization to administer the system effectively and efficiently.¹⁴

COMPENSATION

Public administrators often find themselves deluged on the one hand by employees who demand a liberal wage policy and on the other hand by taxpayers who advocate economy. Social work has been

¹⁴ *Ibid.*, pp. 407-38.

especially cognizant of wage rates because, unlike medicine and law, there is no protection against unscrupulous practice. There is no general registration or licensing of social workers, except in California¹⁶ and Puerto Rico. Almost anyone can practice social work in most jurisdictions and, as a result, many do so who have no special education. This tends to depress salaries, although many agencies, both public and private, have recognized that properly qualified persons should be employed for social work positions.¹⁷

Wages are the largest single item in any public budget, usually almost two-thirds of the local budget.¹⁷ It is understandable, therefore, why economy waves are particularly detrimental to public salaries, but this is no reason why the public employee should not receive adequate compensation. In many jurisdictions public employees are paid ridiculously low wages. For example, it was calculated that the average annual wage of full-time municipal employees in the United States in 1932 was \$1514 and that by 1933 it had dropped to \$1259. In 1938 the average entrance pay for police patrolmen in cities above 30,000 was \$1686.60. Somewhat higher salaries are paid by the federal government, but the average annual salary as reported in July, 1947, was \$3,006. At that time 50 per cent of federal employees received base salaries of less than \$2,500 per year; 25 per cent received between \$2,500 and \$3,500; 18 per cent received between \$3,500 and \$5,000; and only 7 per cent received \$5,000 or more.¹⁸

¹⁶ California has had a legal system of registration of social workers since 1945. This was preceded by a voluntary system of registration operated by the California Conference of Social Work from 1920 to 1945. The California law established a Board of Social Work Examiners which has adopted standards for admission to examinations. Originally all who were eligible were "blanketed in" but registration is now limited to those who pass the examination. The law permits those who pass the examination to use the title, Registered Social Worker (abbreviated as R.S.W.). This will tend to simplify civil service procedure; for certain positions it will probably be sufficient to stipulate that a Registered Social Worker must be appointed or, at least, to limit the examination to R.S.W.'s. (R. E. Arne, "California Registers Its Social Workers," *The Compass, Journal of the American Association of Social Workers*, Vol. XXVIII, No. 5 (July, 1947), pp. 11-14. See also *First Biennial Report of the (California) Board of Social Work Examiners* (July 1, 1947).

¹⁷ Florence L. Hosch, "Personnel Standards in Social Work," *Social Work Year Book, 1947*, p. 347.

¹⁸ Mosher and Kingsley, *op. cit.*, p. 441.

¹⁹ Citizens Budget Commission, Inc., *Compensation, Conditions of Employment, and Retirement Benefits of Policemen and Firemen in New York City and 202 Other Cities in the United States* (New York: 1938), p. 13; Lucille Ursell and John W. Mitchell, "Salaries of Federal Employees," July,

What are the factors that should be considered in arriving at an equitable wage for public employees? The determination of the laborer's proper share of the goods produced has been the subject of controversy by the economists for years. While this is a complex problem it must be admitted that, for all practical purposes, there is no such thing as a scientific or ideal wage. Public service has usually endeavored to pay the current market rate. Many people have contended that the state should pay a living wage, that is, government employees should be paid what it costs to maintain a satisfactory standard of living. Government wage rates, however, are not established on the basis of economic and social theories; they are based upon competition and the bargaining position of the employees.

A salary range must be determined for each class of positions. Collectively these are referred to as compensation schedules. In each class there is usually a minimum rate, several intermediate rates, and a maximum rate. Five steps are usually to be found between the minimum and the maximum. Employees are started at the minimum and advanced to the maximum pay by regular promotional stages. There is no agreement as to whether the scales for the various positions should overlap. Actually, it is difficult to avoid overlapping and still provide sufficient latitude for incentive within classes.

Salary standardization leads to some faults and abuses. It does not, for example, permit a good technician to remain at a professional assignment and continue to be advanced in pay. In social work, it is claimed that a competent case worker should often be as well paid as a supervisor. This cannot be done in the public service because responsibility rather than professional competence is the determining factor in wage scales. A case work supervisor has more responsibility than a case worker; therefore the supervisor has a higher pay scale. Despite this and other criticisms standardization of salaries based upon responsibility is found in nearly all civil service jurisdictions.

PROMOTIONS

Appointments are subject to the civil service law, but promotions are usually under the complete control of the administrative agency. The selection process is the responsibility of the civil service organization, but after the employee has been selected his professional de-

1945-July, 1947," *Monthly Labor Review*, Vol. 66, No. 3 (March, 1948), p. 255.

velopment is dependant upon the opportunities within the administrative agency and closely related services.

By promotion we mean the assignment of an employee to another job involving greater responsibility usually with higher salary, despite the fact that the federal civil service commission refers to salary steps within a class as administrative promotion. Nor do we use the term to include transfer to another physical location where the employee continues to do the same work.

On what basis does the agency determine who should be chosen for the relatively small number of jobs demanding greater responsibility? What are the criteria for promotion? In order to evaluate staff it is necessary to have an objective method of measuring job performance. This is done through the day-to-day supervision of employees and is recorded by means of periodic service ratings. In order to rate employees a system for recording factual appraisals is required. Also the employees who are rating others need to have some knowledge of the methods and purposes of rating.

Private business, which is driven by the profit motive, is in a more strategic position to measure efficiency and determine waste. Not only is this motive absent from government service, but the civil service system with its acute emphasis upon tenure and seniority often motivates against productivity. Unfortunately service ratings have not been used in many civil service jurisdictions exclusively for promotional purposes. Seniority (in addition to veterans preference) has been the chief factor in determining dismissals and layoffs. Nevertheless there is a growing awareness of the need to use efficiency on the job rather than mere longevity as the chief criteria for layoffs and dismissals. Service ratings, therefore, should become increasingly important in public personnel administration.

Most rating devices use certain standardized items which have to be scored by the raters. The Probst System,¹⁹ one of the most widely used, uses a list of job traits which are checked independently by three supervisors. These traits are marked as plus or minus, on the basis of whether they are desirable or undesirable, and then given a numerical value depending upon their importance for the specific job. The number of plus items is designated as the X score, the sum of all plus and minus items as the Y score. The final undivided score is changed from a numerical value to a letter on the scale A-F.

¹⁹ Named for J. B. Probst, Chief Examiner, St. Paul Civil Service Bureau, the originator of the system. It is described in detail in *Technical Bulletin, No. 4* of the Civil Service Assembly of the United States and Canada (Chicago, 1931).

Scoring devices may eliminate, or at least minimize, the subjective element in the evaluation of employees, but there are many problems encountered in their use. In the first place, what norm is to be used in judging the employee? Is improvement in quality of performance from one rating to another to be taken into consideration? To what extent should originality as well as productivity be included? Should promotions be determined exclusively by service ratings or should they be dependent upon promotional examinations? The use of service ratings as the chief criteria leads to a true career service and top personnel must start at the bottom of the ladder and get to the top by successive promotional steps. On the other hand, the use of promotional examinations—if open to those outside the service—may result in the introduction of new blood into the agency. In a professional field such as social work where there are job opportunities in private as well as public agencies it would appear to be undesirable to restrict promotions to those within the service. This would result not only in agency inbreeding, but in a sharper demarcation between public and private social workers.

SEPARATIONS

Separations from the service include resignations, temporary layoffs, reductions because of budget cuts, dismissals for misconduct, and retirement. At the present time these problems are not serious in our public welfare departments. Public welfare programs are still expanding and there is an acute shortage of professionally qualified personnel. Sooner or later, however, the problems associated with separations will be serious.

Tenure of employment was one of the central themes of the early civil service reformers. Once the qualified people were selected for public employment they wanted to keep them in the service. Hence our early civil service systems had elaborate provisions aimed at securing these rights for the employees and making it extremely difficult for an administrative officer to dismiss a civil service employee except for the most flagrant illegal or immoral behavior. The zeal of the civil service reformers was admirable but it resulted in the retention of many mediocre, pension-minded employees. A great deal of the criticism of bureaucracy has been centered around this point. The environment of the civil service employee has been pictured as precedent-worshiping, inefficient, and resistive of innovation or simplification.²²

²² For a readable but caustic critique see John H. Crider, *The Bureaucrat* (Philadelphia: Lippincott, 1944).

In time of layoffs the use of seniority has often been the sole determining factor. Naturally this means that the younger and more aggressive staff members are the first to go. The situation is further complicated by the pressure of veterans organizations that have campaigned for special priority for veterans. Nevertheless there seems to be an increasing awareness of the need to retain people on the job solely on the basis of efficiency as determined by service ratings. This principle, as a matter of fact, has been incorporated into the basic legislation and procedures of many of the state merit systems for the selection of social security personnel.²¹

IN-SERVICE TRAINING

Modern personnel administration is concerned with the professional development of personnel as well as with the selection of employees. On-the-job training has become especially important in public welfare agencies because of the scarcity of properly qualified personnel. In this type of training there are two objectives: (1) the teaching of routine tasks to newly appointed employees, that is, assisting them in their immediate adjustment to the agency; and (2) the training of people for particular specializations within the agency.²²

The federal Social Security Administration has been particularly concerned with in-service training. Their program is administered by the Division of Technical Training through organized curricula, scheduled classes, and actual on-the-job supervision. All newly appointed administrative personnel are usually assigned to the central offices in Washington for a two weeks training period. Here classes are held during office hours on the objectives, development, and content of the Social Security Act. Classes are formally organized with lectures, texts, and assignments. Instructors are staff members, some of whom devote full time to this service.²³

The state departments of public welfare have also developed in-service training programs. In Oklahoma the state department assumes responsibility for assisting each new employee to understand the functions of the agency and his relationship to the total program. They use the term *orientation* to describe this process.

²¹ Klein, *op. cit.*, pp. 191-209.

²² Samuel H. Ordway, Jr., "Introduction" in Earl Brooks, *In-Service Training of Federal Employees* (Chicago: Civil Service Assembly of the United States and Canada, 1938), p. 7.

²³ Brooks, *op. cit.*, pp. 44-47.

The first three days' training in the Oklahoma orientation process takes place in the state office so that the new employees may acquire an understanding of the larger objectives and major functions of the department.²⁴ For new case workers the program is then continued in the localities where they are to be employed. The state department also organizes district study institutes. During 1947 these district institutes were on the Aid to Dependent Children Program under the following subjects: its history and social philosophy, a review of its legal framework, its future, and the case worker's role in its administration.²⁵

Local departments of public welfare have likewise organized in-service training programs. The Chicago Department of Welfare organized a formal program in the fall of 1946. The following is a list of the subjects covered:

1. *Public Assistance*
 - a. Its goals and objectives
2. *Understanding Human Behavior*
 - a. Basic principles of human behavior
 - b. Growth and development of the child
 - c. Problems of adolescence
 - d. Nature and meaning of alcoholism
 - e. A new attitude toward alcoholism
 - f. Problems in broken homes
 - g. The unmarried mother
 - h. Symptoms of personality disorders
 - (1) Distinction between normal and abnormal behavior
 - (2) Psychoneurosis
 - (3) Mental defectives
 - i. The aged
 - j. Some implications of the psychosomatic approach for case work
 - k. Case work with sick persons
 - l. Needs of the chronically ill
3. *Understanding the Physical Needs*
 - a. Family Budgets
 - b. Management — its importance in everyday living
 - c. Understanding food habits and customs
4. *Understanding the Client and His Community*

²⁴ *Illustrations from State Public Assistance Agencies: Current Practices in Staff Training, I* (Technical Training Service, Social Security Administration, 1944), pp. 1-54.

²⁵ Dorothy Warren, "Oklahoma's In-Service Training Program," *Public Welfare*, Vol. 5, No. 7 (July, 1947), pp. 157-59, 168.

After these general lectures, which take one week, the staff is divided into small discussion groups in order to review the lecture material and relate it to their day-to-day work.²⁶

Special institutes, which are more removed from day-to-day practice than in-service training programs, have also been organized in a number of states. Such an institute for executives and supervisors, which has been held in Pennsylvania under the sponsorship of the State Department of Public Assistance, is described in a publication of the Social Security Administration.²⁷ In Wisconsin annual institutes for county welfare directors and case workers are sponsored by the Wisconsin Department of Public Welfare and the Department of Social Work of the University of Wisconsin. These institutes, which are of one week's duration, are held during the summer on the university campus.

Staff development does not end with in-service training programs and institutes, the day-to-day supervision of employees also is an important factor in getting the job done in an effective and efficient manner. Effective supervision serves to stimulate and release the individual's capacity so that he may use his own knowledge to the best advantage. Therefore it is a developmental process, a continuing medium through which staff members achieve greater awareness of their own possibilities.²⁸

A staff development program requires conscious planning by the agency. It is one of the best ways in which the agency may provide for the continual growth of individual staff members in efficient and effective performance on the job. The ultimate purpose of such a program is to improve the quality of service rendered to the clients of the public welfare agency. As such it is an important part of personnel administration and of the total administrative process.

VETERANS PREFERENCE

Since many veterans take civil service examinations and since they receive preferential treatment in the scoring of examinations

²⁶ Ruth S. Goldman, "People Matter — An Emphasis in Staff Development," *Public Welfare*, Vol. 5, No. 9 (September, 1947), pp. 200-01, 214.

²⁷ *Illustrations from State Public Assistance Agencies: Current Practices in Staff Training, II* (Technical Training Service, Social Security Administration, 1944).

²⁸ "Supervision as an Administrative Process Contributing to Staff Development" (Bureau Circular, No. 6, Social Security Administration, Bureau of Public Assistance, Division of Technical Training, November, 1940, mimeographed).

and in layoffs they should be given special consideration in any discussion of civil service. The solution to many problems of veterans in ancient as well as in modern times has been to grant them pensions and give them public jobs.

Persons honorably discharged from military service were first given preference for federal employment in 1865. According to a law passed in that year veterans "shall be preferred for appointment to civil offices, provided they are found to possess the business capacity necessary for the proper discharge of the duties of such office." When the Civil Service Commission adopted its rules and regulations in 1883 they provided that veterans should be preferred above all others. In 1919 preference was extended to the wives of injured soldiers, sailors, and marines who themselves were not qualified. Executive orders of the President have extended federal veterans preference since 1919. Veterans are given five points preference in the scoring of examinations and disabled veterans are given ten points. Some positions, especially those of a custodial nature, have been set aside, on occasion, exclusively for veterans. In addition veterans are given preference for retention when layoffs become necessary.

At least one-fourth of all federal civil service appointments have gone to veterans and we may be creating a privileged officeholding class. It is not possible to draw conclusions relating to the appointment or retention of poorly qualified persons because of veterans preference. It is known, however, that almost 18 per cent of the ten-point preference veterans who were appointed between 1923 and 1930 had not earned passing grades.

The majority of the states also have veterans preference for civil service employment. State provisions are usually more exacting than those of the federal government, particularly in regard to the definition of a veteran. Veterans preference will become of greater significance in the future of federal, state, and local civil service. It is obvious that as a result of the large number of veterans created by World War I, many additional veterans will be appointed to civil service positions in the future. When these veterans find themselves at a competitive disadvantage in private industry because of advancing age it may be expected that greater pressure will be used to broaden veterans preference. Indeed this may prove to be the most serious problem in the administration of civil service.

SIGNIFICANCE OF CIVIL SERVICE IN PUBLIC WELFARE

The selection and retention of employees on the basis of merit is of great importance in establishing and maintaining an efficient public welfare service. Social workers, whether employed in public or private agencies, should be concerned with the preservation and expansion of the merit principle. There are a number of ways in which those who are genuinely interested in efficiency in public welfare can strengthen our civil service systems.

In the first place, interested citizens should always be alert to the development of an ossified bureaucracy. There is always a tendency for the formality of the system, with its emphasis upon tenure and seniority, to become more important than the public interest. We are all aware of the picture that is often drawn of the civil servant; a sort of biological specimen who is concerned solely with the preservation of his function and the protection of his pension rights. This often correct picture can be prevented by adoption of flexibility in administration and the minimizing of red tape; by selecting capable young people for the service; by the use of efficiency on the job as the sole measure of competence for promotion. Secondly, civil service needs social workers and other professional persons to serve on oral boards and to help draft examinations. Cooperation between social workers and civil service organizations is desirable and will prove advantageous to both groups. Thirdly, social workers and other interested individuals should be alert to see that properly qualified individuals are appointed to civil service positions and to civil service commissions. They should also be alert to protect public welfare positions against encroachment from the spoils system and to campaign for elimination of restrictive provisions in civil service procedures. The success or failure of the merit system depends upon the public.

Selected Bibliography

- Earl Brooks, *In-Service Training of Federal Employees* (Chicago: Civil Service Assembly of the United States and Canada, 1938).
John H. Crider, *The Bureaucrat* (Philadelphia: Lippincott, 1944).
Alice Campbell Klein, *Civil Service in Public Welfare* (New York: Russell Sage Foundation, 1940).
William E. Mosher and J. Donald Kingsley, *Public Personnel Administration* (New York: Harper, Revised Edition, 1941).
Arthur M. Schlesinger, Jr., *Age of Jackson* (Boston: Little, Brown, 1945).
Darrell Hevenor Smith, *The United States Civil Service Commission* (Baltimore: Johns Hopkins University Press, 1938).

18. Federal-State-Local Relationships

JOINT RESPONSIBILITY OF PUBLIC WELFARE

Public welfare administration is a cooperative venture shared by all three areas of American government. The federal government provides grants-in-aid to the states and secures compliance in the states with the standards of the federal act. The states accept federal funds, add revenues of their own, and either administer the programs in the counties or supervise their administration. Clearly defined responsibilities among these areas of government are required. Furthermore supervisory activities of the federal and state governments must be carried out in such a way as to secure more than minimum compliance with federal and state standards; they must lead to constant improvements in the programs.

Prior to the enactment of the Social Security Act in 1935 the federal government had had comparatively little experience in administering grants-in-aid to the states for welfare purposes, although the ill-fated Sheppard-Towner Act (1921-1929) gave some opportunity for the United States Children's Bureau to gain a limited experience. The first major grant-in-aid program for welfare purposes, however, was the Federal Emergency Relief Administration. Despite the temporary nature of this program and the rapidity of its establishment its control devices are worth reviewing briefly.

FERA CONTROL DEVICES

The FERA legislation was "to provide for cooperation by the federal government . . . in relieving the hardship and suffering caused by unemployment . . ." Power was given to the administrator to make grants to the states to aid in meeting the costs of unemployment relief. There was no formula specified for the allocation of the funds; the discretion of the administrator was final.¹

Numerous rules and regulations were issued by the FERA. These were implemented by other control devices in order to secure compliance with the intent of the statute. The FERA reviewed in advance

¹ *Forty-Eight United States Statutes at Large*, Part II, p. 5.

all plans submitted by the states, insisted upon the use of competent personnel, and required various reports from the states.

Regional offices were established for more direct contact with the states. The field representatives were assisted by field examiners, social workers, engineers, research specialists, and rural rehabilitation experts.² Regional offices had a profound influence upon the state emergency relief administrations; federal rules and regulations were interpreted to the states through the regional offices, which also served as clearing houses for state experiences.

While there were many disagreements between the federal government and the states, the most serious problems were in the counties. The FERA required an emergency relief agency to be established in every county with a trained and experienced social worker in charge. The importation of nonresidents, particularly in rural areas, resulted in considerable indignation on the part of local people. For generations the administration of relief had been exclusively a local matter. The policy of the FERA seemed to be an unjust interference with established local prerogatives. Many of the social workers employed came from private social agencies in urban centers and were not used to dealing with local officials.

Thus the experience of the FERA in dealing with the states and localities during this period (1933-35) was of importance in establishing the control devices of the Social Security Act.

REQUIREMENTS OF THE SOCIAL SECURITY ACT

The Social Security Act imposes certain requirements upon the states for the receipt of federal grants-in-aid for public assistance. Originally the states were required to submit to the Social Security Board their plans for the administration of the program, and since then all changes in plans have had to be submitted. The federal requirements are as follows:

1. *The law must be in effect in all political subdivisions of the state.* This was obviously to eliminate the permissive state laws for old-age assistance, aid to dependent children, and aid to the blind. Most of these state laws were merely enabling acts; that is the states passed statutes enabling the localities to establish the assistance program if they so desired. In Wisconsin, for example, there were never more than eleven of the seventy-two counties that took advantage of the state old-age assistance law. The old-age plan is now state-wide.

² For a general analysis of field services in federal agencies see Earl Latham, *The Federal Field Service* (Chicago: Public Administration Service, 1947).

2. *There must be a single state agency for the administration or the supervision of the program.* A state may have one agency for the administration and supervision of old-age assistance, another for aid to dependent children, and another for aid to the blind, but it must not have more than one agency for a single program. This requirement was undoubtedly placed in the act to eliminate having courts administer aid to dependent children programs. Since mother's pensions were usually administered in the counties by juvenile courts this was a distinct possibility. Some states (such as Illinois) hesitated for a number of years before accepting federal funds for aid to dependent children, primarily because of the well-established juvenile court administration of mother's pensions. Virtually all states have elected to administer or supervise all public assistance programs by a single agency. The state department of public welfare usually administers or supervises old-age assistance, aid to dependent children, aid to the blind, general assistance, and related social services.

3. *There must be financial participation by the state.* Under state programs for special categorical relief the states usually left the programs to be financed exclusively from local revenues. The authors of the Social Security Act wished to eliminate this hazard. The Act does not specify the extent of state financial participation, but in many states the programs now are financed exclusively with state and federal funds. In states where local financial participation is required it is usually a relatively small percentage of the total. Wisconsin requires a larger local participation than most states — slightly less than 15 per cent of the total assistance payments.

4. *The state must provide fair hearings for dissatisfied applicants and recipients.* The poor law system did not provide the client or potential client with a means for presenting his grievances. The decision of the overseer of the poor was, for all practical purposes, final. To be sure the courts heard innumerable cases regarding legal settlement, the meaning of the terms *poor*, *indigent*, and *pauper*, and responsibility to grant medical aid in cases of emergency. The courts, however, did not review administrative decisions, which are important decisions for poor people, and this requirement was designed to prevent a continuation of these arbitrary decisions.

The states have had to establish fair-hearing procedures and quasi-judicial tribunals have been developed in the state departments of public welfare for this purpose. Applicants and recipients are notified of their right to appeal and statements about the appeal procedure are printed on practically all forms sent to them.

5. *Employees of the state and county public assistance agencies must*

be selected through a merit system. As passed in 1935 the Act did not require that the employees of state and local departments be selected on a merit basis. The Social Security Board, however, insisted that the selection of employees on a merit basis was essential to the efficient operation of the programs. Many of the states were persuaded to adopt merit systems, but there was no legal requirement to have such systems.

One of the amendments which became effective January 1, 1940, required that all employees in state and local public assistance agencies be selected on a merit basis. States that had not established such systems prior to that time were immediately requested to do so. In spite of some protests this has proved to be one of the most popular requirements. State public assistance employees have not only been interested in the protection of their own rights but in some instances have assisted in establishing state-wide civil service systems for all state employees. This provision is responsible, probably to a greater extent than any other, for the efficient administration of the programs.

6. *The states are required to have such methods of administration as are found to be necessary for the efficient operation of the plan.* As we noted above, this requirement of the Act was used by the federal government to persuade the states to adopt merit systems. It has not been used to prescribe specific methods and standards of administration except in this connection because the states have adopted efficient methods of administration and have continued to enforce them without the threat of a "big stick." Also the requirement is not as specific as one might believe. Inefficient administration is determined by accounting procedures and statistical reporting so that this requirement becomes somewhat ineffective.

7. *The state agency must make such reports as the federal authority may find necessary.* This requirement has meant that the federal authority has full and complete power to prescribe statistical and other reporting procedures. In the early years of the programs it was the inadequacy of reporting that led to difficulties in some of the states, but since then there have been no major issues due to this requirement. It is one of the most definite and specific requirements imposed upon the states. Lack of conformity can be readily detected, and inaccurate statistical or fiscal reporting is usually symptomatic of inefficient administration.

8. *The state must take into consideration all income and resources in determining eligibility and computing grants.* The original Act did not impose such a requirement. It was added, along with other amend-

ments on January 1, 1940. Some of the western states (California in particular) developed plans whereby a stated amount of income or resources (usually \$20 or \$25 per month) was not considered in determining eligibility or in computing the grant. Federal officials believed these plans were not in line with the spirit of the law, but since they were not specifically prohibited the Act had to be amended.

In recent years there has again been considerable interest in provisions of this sort. Blind allotment acts granting specified exemptions to the blind have been held to be out of conformity with the Act. A special exemption, however, was granted to old-age assistance recipients who were employed in agricultural labor during World War II. This exemption was made as a rider to an appropriation act and not as an amendment to the Social Security Act. It is still generally believed that exemptions of this sort are not compatible with a program based upon need.

9. *State and local agencies must keep all records confidential.* The poor laws of many states required that the names of all recipients and the amounts of their grants had to be published in official newspapers. In order to eliminate this objectionable practice this requirement was placed in the Act. There has been virtually no trouble between the state and federal governments because of it. It is apparent, however, that some governors have secured the names and addresses of recipients and sent campaign literature to them.

10. *The federal government will not provide federal funds for both old-age assistance and aid to the blind grants for the same individuals.* A large percentage (in some states more than 50 per cent) of the blind are over sixty-five. Inasmuch as the grants are based upon need a grant under a single program should satisfy the blind individual's need.

11. *Certain eligibility requirements are imposed upon the states.* Old-age assistance, for example, may not be granted to persons less than sixty-five years of age. The state may not impose a residence requirement³ less liberal than five out of the last nine years (one year of which may be immediately prior to application) for old-age assistance. The state may not deprive citizens⁴ who are otherwise

³ The maximum residence requirement for aid to the blind is the same as for old-age assistance. For aid to dependent children the states may not impose any residence requirement of more than one year preceding the application or residence of the mother of more than one year immediately preceding birth of the child.

⁴ This was a roundabout way of permitting the states citizenship requirements for old-age assistance if they so desired. Originally some states had citizenship requirements but later abolished them. It was found that in ur-

eligible, of old-age assistance grants. In general, however, the states determine eligibility.

The federal standards are quite broad and do not impose undue hardships upon the states. There are no standards (other than the negative one requiring that all income and resources be taken into consideration) relating to the determination of need. The Act mentions on numerous occasions that the grants are only for needy persons; but the states must define need for themselves.

In order to receive federal grants-in-aid the states must have an acceptable plan for the administration of the programs and must meet the above-named requirements. The grants-in-aid provide approximately two-thirds of funds for assistance payments and half the costs of administration. The states, of course, are eager to receive these funds.

FEDERAL CONTROL DEVICES

The Social Security Board established twelve regional offices in order to have more direct and regular relationships with the state public assistance agencies. These offices had regional directors as their executive officers. In July, 1948, the Social Security Administration's regional offices were abolished and their functions incorporated into ten regional offices of the Federal Security Agency. This reorganization did not change the public assistance units in the regional offices. It did, however, integrate the regional offices of public health and education with those of the Social Security Administration. Each office has a public assistance representative who is under the administrative supervision of the regional director but reports directly to the Bureau of Public Assistance in Washington. The regional representative is responsible for consulting with state officials and assisting them in carrying out the bureau's program in the states. The representative reviews state plan material and analyzes the states' requests for funds.

In addition to representatives of the operating bureaus regional offices also have representatives from the various service bureaus. A regional attorney represents the Office of the General Counsel. He acts as legal advisor in the office and handles all legal problems. A personnel representative, under the supervision of the State Technical Advisory Service, confers with the states on all matters re-

ban centers with large numbers of foreign-born aged that numerous aged persons were applying for citizenship merely to become eligible for old-age assistance.

lating to the merit systems and personnel administration. This includes personnel laws and rules, organization and budgets of merit system agencies, classification and compensation plans, recruitment and examination, and agency personnel office operations. He also conducts periodic reviews of state merit systems for compliance with federal standards. A regional auditor directs the auditing of federal and state fiscal transactions, supervises a staff of field auditors, reviews state agency estimates and grants, and supervises the audit of regional office payrolls. The Children's Bureau of the Social Security Administration has a regional child welfare consultant in the regional office. This person confers with the state agencies administering the federally-aided child welfare programs.

In the early years of the Act the regional offices, while counterparts of the Washington office, were definitely not decentralized administrative units. They were merely clearing houses for state and federal experience and all decisions were made in Washington. Furthermore there was often relatively little coordination between the various bureaus and each one appeared to operate independently of the other. Agents of one sort or another were often dispatched to the states directly from Washington with no clearance through the regional offices. The various bureaus are now coordinated, but basic decisions are not made in the field.

Despite the fact that the regional offices do not have actual administrative authority they are the Social Security Administration in the opinion of the state agencies. The regional representatives consult with the states, make recommendations to Washington about administration and services, and introduce new federal policies. Successful federal-state relationships are mainly dependent upon their skill.

The Social Security Administration has endeavored to recruit staff members, especially those in regional offices, from the state and local agencies. This has been a wise policy and has quite naturally improved the administration's relationships with the states. The administration also has pursued a policy of consultation and persuasion rather than of force.

FISCAL CONTROL

The auditing plan first used by the Social Security Board caused considerable dissatisfaction in the states. The Bureau of Accounts and Audits of the board set out to find a method to insure the proper expenditure of federal funds as soon as the first grants were made

(February, 1936). Inasmuch as the Act established certain qualifications with respect to the receipt of individual grants the auditors believed that the grants made by political subdivisions should be checked. In other words they audited each grant of old-age assistance, aid to dependent children, and aid to the blind for conformity with federal requirements.

This audit required a large staff which was sent to the localities where the determinations of eligibility were made. The initial audits were tremendous jobs — the entire case load had to be audited — requiring as many as twenty auditors for six months in some states. After the original audits the auditors were concerned only with new cases and changes in the old cases.

It is doubtful if there was any precedent in federal-state programs for such an intensive audit. V. O. Key in his exhaustive analysis of the audit as a control device found that such detailed and routine audits were exceptional.⁵ Robert Lansdale assumed that the members of the Social Security Board believed that the Comptroller General required the audit,⁶ but the Board did not ask that official for a formal ruling on the subject. There was apparently no discussion of the subject between representatives of the Board and the General Accounting Office. Such procedures were not followed by the FERA, even when relief programs were federalized as in Louisiana and Oklahoma; nor did federal auditors make such examinations of the certifications for CCC enrollment.

Criticism of the federal audit was rampant among the states. It was criticized in the first place as not being an audit of federal but of state requirements. The law required that old-age assistance should be granted only to those sixty-five years of age and over, but the satisfactory proof of age was a state matter. It was a new departure in federal-state relations for the federal government to enforce state laws.

In the second place, the federal audit was criticized because some state administrators welcomed it as an easy means of keeping the localities in line. These administrators were unable to develop constructive relationships with the localities and were happy to turn this responsibility over to the federal government. The vast majority of administrators, however, resented this interference.

In the third place, the federal audit was costly. As of June 30,

⁵ V. O. Key, *The Administration of Federal Grants to the States* (Chicago: Public Administration Service, 1937), Chap. IV.

⁶ Robert T. Lansdale, "Some Observations on the Federal Audit," *Social Service Review*, Vol. XII, No. 3 (September, 1938), p. 441.

1937, there were 98 employees in the federal Bureau of Public Assistance and 252 in the Bureau of Accounts and Audits. Salaries in the Bureau of Public Assistance amounted to \$224,810.22 for the fiscal year 1936-1937, with travel expenses costing \$56,753.18. During the same period salaries in the Bureau of Accounts and Audits totaled \$421,268.51, and travel expenses were \$224,180.49. The board did not publish data on disallowances but Lansdale found them to be low, while the costs were large. One state, for example, reported disallowances of \$265, another stated that only fourteen cases were questioned, and a third stated that the disallowances were less than \$1000.

The general dissatisfaction led, quite naturally, to a change and by January, 1940, the fiscal audit of eligibility was discontinued.⁷ Since then public assistance auditing has been limited strictly to fiscal aspects of payments, audits of the state's accountability for expenditures, and a general review of state fiscal policies for public assistance. The Bureau of Accounts and Audits has become more of a consultation service for the states, emphasizing constructive accounting service to state public assistance agencies.⁸

ADMINISTRATIVE REVIEW

When the Bureau ceased performing detailed eligibility audits the Social Security Board gave the Bureau of Public Assistance responsibility for a continuing review of state and local administrative procedures. This was to include a review of sample cases to assure "the board of a state's adherence to federal requirements and to the substantive legal and administrative provisions of its approved plan."⁹

The Bureau of Public Assistance developed an administrative review with the following principles in mind:

1. The review should be an extension of existing methods of dealing with the states, organized so far as possible to fit into consultative procedures.
2. The regional offices should be given responsibility for actually carrying out the reviews in the local offices.
3. Reviews should be carried out cooperatively with the states.

⁷ William L. Mitchell, "The Administrative Review in Federal-State Social Security Programs," *Social Security Bulletin*, Vol. 9, No. 7 (July, 1946), p. 11.

⁸ *Annual Report of the Federal Security Agency, 1946*, p. 513.

⁹ "Board Minutes," December 22, 1940, as quoted by Kathryn D. Goodwin, "Administrative Review in Public Assistance," *Social Security Bulletin*, Vol. 6, No. 10 (October, 1943), p. 6.

4. Results should be available to the states for their use in improving local administration.
5. Methods should be uniform in all states, but sufficiently flexible to take into consideration the individuality of the states.
6. The approved state plans should be the basis for review.
7. The total administrative process should be considered, rather than isolated elements of it.
8. Eligibility requirements should be reviewed only upon the basis of definite understanding of these requirements.

In order to devise a review with these principles in mind the Bureau decided that sample cases must be read to determine: (1) whether persons receiving assistance were eligible in accordance with federal requirements and the provisions of the state plan; (2) whether assistance payments were based upon individual need; (3) whether applications were accepted or rejected on the basis of an objective determination of eligibility; and (4) whether persons whose applications were rejected were given an opportunity for a fair hearing.

In addition to reading cases the Bureau reviewed administrative methods in the local units. It was particularly interested in methods of taking applications, the state's system of local supervision, and the enforcement of the federal requirement concerning confidentiality of records.

The review was not initiated until late in 1940 and was then gradually introduced to the states. By the end of 1942 it had been carried out in all states, the District of Columbia, Alaska, and Hawaii. The work of 480 local agencies had, by that time, been reviewed and 52,500 case records had been read.¹⁰

In a typical regional office the review staff is headed by an associate regional public assistance representative. The members who go into the local units to read cases are public assistance analysts, usually numbering from six to twelve in a regional office. The procedure has become somewhat formalized. The regional representative gives in advance to each state the review plans for a year. A quarterly report on progress is made and an annual report evaluating each state situation is given to the state by the regional representative. As soon as a specific review is completed the review staff discusses the results with the state agency and later presents a written report to the agency. The federal staff, however, has always refrained from discussing the findings of the review with the local agencies. The responsibility for giving this information to the localities is left entirely with the state staff.

¹⁰ *Ibid.*, pp.5-16.

In general the review has disclosed that the determination of eligibility factors has been in accordance with approved plans. In respect to need the major problem has been underpayment. In a review in the District of Columbia, for example, it was found that only 62 per cent of the cases received the full amount.¹¹ The chief reasons for underpayment are not lax administration, but the effect of federal and state maxima and the inadequacy of state and local appropriations.

The review has been regarded by the Social Security Administration as frankly experimental. Commenting upon it and upon a similar device used in unemployment compensation an Administration official found it worthwhile. He decided that it was useful in improving state administration and that this has been seen in improvements in state supervision of local units. Also he declared that it had a positive influence in stimulating the development of adequate instructions from the states to the local units. In addition he reported that the Bureau has found the review to be helpful in promoting better understanding of individual state programs.¹²

The review has been much better accepted by the state agencies than the eligibility audit. Nevertheless some friendly critics have contended that such a review of local administration by a federal agency is inconsistent with sound theories of federal government. These critics point out that the states are the sovereign units of government, that the localities exist as political subdivisions of the state, and that the federal government should not deal with the local units of government. In reply it should be mentioned that while the federal government reviews local operations it does not take action upon its review; it merely gives its findings to the state agency.

Critics have also contended that the review has prevented the states from developing their own procedures. Some states have used the review findings in lieu of their own supervisory devices. With the system becoming more and more formalized it will be difficult, the critics point out, for the Bureau to decrease the size of its review staff and to encourage the states to review the activities of their local units.

In spite of these criticisms the review has been a unique development in constructive federal-state relationships. Its functions may have to change somewhat in the future, primarily because of the development of state review units. No one would deny, however, that the administrative review has been an improvement over the eligibility audit.

¹¹ *Ibid.*, p. 5.

¹² Mitchell, *op. cit.*, pp. 10-14.

STATE CONTROL DEVICES

State departments of public welfare exercise control over the administration of the programs in the localities. In the case of state administered programs where the local employees are agents of the state this control is direct; in the case of locally administered state supervised programs the control is more indirect. In either case the state has the responsibility to see to it that a good job is done in the localities.

The states have developed field staffs to supervise the programs in the localities. A state is divided into districts and a field representative usually maintains an office in a city within each district. He evaluates the work of the local agencies, checking actual performance against the standards of the state law and the state plan. Many ways have been developed for reviewing the work of the local offices; the case review¹³ is one of the most important of these. In some states case reviews are made in counties only when there is reason to believe something is wrong with the local administration. In other states a continuous review of a selected sample of cases is maintained.

The office of the state department of public welfare is in a strategic position to assess the adequacy of local administration. Appeals come to the state regarding county decisions, letters of complaint are written to the state office, and county directors and other local officials make personal calls upon state officials. Reports are required by the state from the local units and their accuracy is a gauge of the adequacy of local administration.

The over-all inspection of local welfare departments by the state agencies has become known as administrative supervision. The aim of such supervision is the development of good administration within the counties. Problems arise when the supervising agency offers case work supervision in individual cases rather than concentrating upon over-all administration. It is easy for trained social workers to offer case work supervision to the local agencies in lieu of administration supervision. State workers become absorbed in the details of cases and the local workers rely upon the statement that the "state worker says to do this" rather than establishing their own policies. In some instances it may be necessary for the state agency

¹³ The state case reviews (sometimes called spot reviews) are not as extensive or as well organized as the federal administrative review. They are usually conducted exclusively by the field representative and consist of reviewing a small number of cases to determine conformity with state standards.

to offer case work consultation to the local agency, but it should not be a regular practice.

Difficulties may also arise when the state agency exercises such detailed supervision over the local agency that it develops a proprietary attitude toward it. This can be destructive to the local agency and prevent it from developing its own administrative pattern. The more responsibility that can be given to the local agency the better.

State agencies have been handicapped in developing good administrative experience because of a shortage of staff. Social workers often have considered administration as mere routine or mechanics. Professional social workers, trained and experienced in case work, are concerned with the injustices of specific cases, but are not always interested in the red tape of administration, often ignoring it.¹⁴

In recent years there has been considerable discussion of the role that is played by the field services in the development of the state's public welfare program. In general the states have placed reliance upon broad administrative and supervisory control which permits a wide degree of local discretion. They have not been in agreement, however, on the way in which such a policy is carried out. All state agencies in their relations with the localities accept responsibility for these functions (1) program planning, including policies, procedures, and standards; (2) related services, such as fiscal, statistical, and research; (3) personnel administration; (4) supervision of the local program in respect to statutory standards. The first function is usually assigned to the division of public assistance, the second to the divisions of finance and research and statistics, and the third may be assigned to a separate division or may be incorporated in the activities of the other divisions.

Some states have recently set up their field service as a separate division.¹⁵ In these states the field representative is responsible to the director of the division of field service, not to the respective operating division. One individual is responsible for all relationships with the local departments. Specialized consultants are available for child welfare, finance, and statistics and are utilized in certain counties by the field representative. Most states, however, provide field service through the various operating divisions. The division of public assistance maintains a field unit separate from the

¹⁴ Martha A. Chickering, "Administrative Supervision," *Public Welfare*, Vol. 2, No. 10 (October, 1944), pp. 234-37, 256.

¹⁵ Raymond W. Riese, "Supervision of State Field Services," *Public Welfare*, Vol. 5, No. 9 (September, 1947), pp. 202-04, 215.

field units maintained by other divisions. This results in a very close relationship between the field representative and the operating service, but without coordination in the state department the activities of the various representatives may be perplexing to the localities. The trend is obviously in the direction of greater state coordination, but in many jurisdictions it has not yet resulted in the establishment of a separate division of field services.

Some states have established administrative reviews that are similar to those conducted by the federal agency. These reviews are broader than the case reviews of field representatives, but usually not as broad as the federal review. In Minnesota this has been a continuing process since 1937. The objectives of the review in that state are to determine through objective methods the way in which county programs operate, to find out if assistance is readily available to eligible individuals, and to determine if all who are eligible receive assistance.

Not all cases in Minnesota's eighty-seven counties could be read every year so the sampling method is used. The samples are usually selected in the following manner: (1) Ten per cent of cases of old-age assistance and aid to dependent children. (2) In smaller counties all denials and cancellations for the past year are read, in the larger counties all during the past six months. (3) In the aid to the blind and other minor programs all cases are read if they number less than ten per category; but in all counties at least ten cases of these categories are read. In the larger counties where 10 per cent of these cases would be more than ten that amount is read. (4) In the child welfare program a good sample of free home placements, adoptions, neglected and dependent state wards, and unmarried mothers cases are read.

As soon as the review (which is officially known as a survey) is completed the field representative, case reviewers, and any other member of the survey staff present hold a conference with the county staff. The final report is ultimately presented to the county welfare board by the field representative.¹⁴

The development of state reviews brings into question the status of the federal administrative review. There are many state public welfare officers who believe that where extensive state reviews are in existence the federal agency should not make reviews of local operations. It is suggested that the federal agency merely review the procedures and techniques used by the state review staff.

¹⁴ J. Lucille Poor and L. Merritt Brown, "The Administrative Review — Minnesota Looks at Its Counties," *Public Welfare*, Vol. 5, No. 10 (October, 1947), pp. 231-34.

The state agencies also exercise fiscal control over the local departments of public welfare. In many instances this is a more definite and direct fiscal relationship than exists between the federal and state agencies. In state supervised, locally administered programs the federal and state funds are given to the local departments and deposited in local banks. The checks for assistance grants are written locally and local accounting systems must be developed. The state department's finance division has to carry on extensive and continuous audits of these local departments.

The fiscal controls exercised over local departments under state administered programs are somewhat different. Under these programs the funds are not placed in local banks and the checks are written in the state office with payrolls submitted by the local departments. In these states the federal auditors have a more direct relationship with the local departments because any audit they make is, in effect, an audit of local administration.

CONTROL OVER PERSONNEL

By state law the state agency has definite control over the selection, retention, and advancement of personnel in the local public assistance agencies and the local employees are state employees. Thus they are the agents of the state department of public welfare and must be selected in accordance with standards approved by the state agency. The state civil service agency usually selects these local employees.

This is an important control device in the development of uniform policies and procedures in the various counties. Minimum acceptable standards of education and experience have meant that public welfare is one of the best administered services of local government. Security and tenure have meant that the employees have relatively high morale and are anxious to improve local administration.

The contrast between the office of the overseer of the poor who administered assistance according to his individual standards and the modern county department of public welfare which administers assistance in accordance with state-wide standards is marked. This has been possible, to a large extent, because of the control exercised over the localities in the selection of personnel.

CONTROL OVER STATISTICAL REPORTING

The state department of public welfare is responsible to the federal agency for the preparation of required statistical reports, but basic data for many of the reports must come from the local offices. For example, the number of applications accepted or rejected during a month can be secured only from the local offices.

In order to secure these reports instructions must be given to the local units. This usually requires some consultation from the state office. Control over statistical reporting is more than control over specified reports; it is control over the total administration. Inadequate statistical reporting often signifies inefficient administration and the reporting will become accurate only with improvements in administration. This control exercised by the state, therefore, is a very potent one.

FAIR HEARINGS AS A CONTROL DEVICE

The Social Security Act, as we have noted, requires that the state agencies grant dissatisfied applicants and recipients the right to a fair hearing. These hearings are held by a unit of the state agency and this is a form of administrative supervision over the local agencies. The fair hearing provides the claimant with a means of exercising his right to assistance when other methods have failed. It affords him protection against possible mistakes committed by the local agency. It not only protects the client, but it also shows the way in which policy is executed in the local agency.¹⁷ Local agencies are apt to be more concerned with the rights of clients and the proper interpretation of policies because of the possibility of requests for fair hearings. It means that their decisions are subject to review by the state agency at the request of an individual claimant, and therefore it is an excellent control device.

STATE RULES AND REGULATIONS

State agencies usually have the statutory authority to make necessary rules and regulations. These are, in the final analysis, as binding as the laws and enable the state to secure a remarkable degree of uniformity amongst the various local units.

¹⁷ For examples of fair hearings see *Hearing Decisions in Public Assistance* (a series of publications by the Bureau of Public Assistance, Social Security Administration, 1946-1947).

States issue manuals setting forth the basic rules and regulations for the administration of the various programs. These are supplemented from time to time by various communications from the state office. Among other things, these manuals prescribe the method of determining need and the standards of assistance to be used in the various counties.

The power to issue rules and regulations is a control device that has been well developed since the passage of the Social Security Act. During the formative years of the program there was a tendency to issue instructions without regard to previous directives on the same subject. There was also a tendency to shower the localities with innumerable communications, many of which were not personally introduced to the offices by the field representatives. Now the rules and regulations are codified and are issued much less frequently and are effective devices in supervising the local units.

SUPERVISION IN THE LOCAL OFFICES

The function of the local agencies in public assistance is the determination of eligibility and the authorization of payments. All contact with applicants and recipients is through local offices. Case workers make investigations of individual cases and their reports contain all factors relating to eligibility, such as proof of age, residence, and medical examination when required, and recommendations on the size of the grant in conformity with the agency's standards of assistance. The final decision must be made by the executive of the agency.

In large local agencies it is impossible for the executive personally to supervise the work of the case workers. This is delegated to a case work supervisor. In smaller agencies¹⁸ the county welfare director is actually a director-supervisor. The case workers are most important and the success or failure of the program depends upon their competence. In order to improve the performance of individual employees the supervisor or the director-supervisor should be able to interpret policies to all workers in an objective and uniform manner.

It is only when the state agency attempts to put into writing what is good performance that supervisors and workers develop an understanding of what is expected of them. A statement of standards

¹⁸ Case work supervisors usually have supervision over eight or more workers. Supervisors are seldom found in agencies with fewer than six case workers.

of performance which has the acceptance of the staff will serve two basic objectives in administration:

1. Knowledge of the standards can be used by the individual employee to improve daily performance on the job, by supervisors as goals toward which they will point in their regular supervision of employee performance.
2. A statement of standards of performance for specific positions in public assistance agencies will be invaluable as a standard of measurement when the agency undertakes a formal plan of staff evaluation. To approach a plan of formal evaluation without a clear statement as to job responsibility and standards of performance is unsound since the foundation for fair evaluation is lacking and the real purpose of evaluation will be lost.¹⁹

Due to the importance of the case worker in the execution of policy, state and federal standards must be explained to them by the case work supervisor or the director-supervisor.

TOWARDS CONSTRUCTIVE FEDERAL-STATE-LOCAL RELATIONSHIPS

Public welfare administration in the United States is a partnership. The chief operating partner is the state, with the federal government imposing certain requirements for the receipt of grants-in-aid, and the localities serving as the administrative agents of the state. This appears to be a permanent arrangement with the various areas of government assuming well-defined roles and the relationships among them becoming more harmonious.

When state boards of charities and corrections were established in the decades immediately following the Civil War they dealt with the local institutions and agencies through agents. Officials representing the federal agencies that administered the early grants-in-aid had inspectors who dealt with the states. Students of government have referred to federal supervisory organizations as "the federal inspectorate." In recent years, however, the idea of consultation rather than inspection has been emphasized. The federal bureaus now deal with the states through regional representatives and consultants. This significant change in terminology represents a different approach to the problem and indicates that there has been more acceptance of the partnership nature of the total program. There are still, however, some difficulties to overcome.

¹⁹ "Development and Use of Standards of Performance in Public Assistance Agencies" (a mimeographed statement of the Bureau of Public Assistance, Social Security Administration, intended to be used for discussion purposes in state and local agencies, distributed in 1947).

There is still a tendency for some state and federal staff members to live in an ivory tower, out of contact with the realities of federal-state-local relationships. Federal and state officials cannot afford to assume an insulated or haughty approach towards officials in other areas of government. Nevertheless, some federal staff members consider themselves superior to staff members in the state agencies. Some state staff members have assumed a similar attitude of superiority in their dealings with local staff members.

It is also unfortunate that some staff members appear to know all the answers. No one can possess such oracular knowledge in a program as complex as public welfare. Federal representatives should be as interested in developments in the states as they are in interpreting federal standards to the states. Federal and state representatives must learn to take criticism as well as to give it.

If the federal government wishes to maintain cordial relationships with the state it must have a consistent policy. Rules and regulations issued by the federal and state governments should not be changed so frequently as to confuse the state or local agencies. Retroactive orders should not be issued. This does not mean that we wish to eliminate flexibility from our programs, but it does mean that all changes must be carefully considered and that the federal or state agency must assume the responsibility for issuing rules and regulations.

Many state and federal supervisory agencies have an insatiable appetite for reports. This was especially true in the early days of the public assistance programs. Nothing can do more to lose friends in the state and local agencies than requiring them to prepare complicated reports that appear to have no usefulness. Statistical reports are necessary, but they should be kept at a minimum.²⁰

The consultative, rather than the inspectional, point of view has become increasingly important in federal-state-local relationships. Now that we have had more than a decade of experience in administering the Social Security Act many state employees have become federal employees and many local employees have become state employees. This flow of personnel has been a healthy influence in emphasizing the consultative point of view. Unfortunately it has been largely a one-way proposition; state employees seldom become local employees and federal employees seldom become state employees. The relatively higher salaries offered for state and federal service are

²⁰ Edith Foster, "Constructive Federal-State Relationships: From the Federal Viewpoint," *Proceedings of the National Conference of Social Work, 1944*, pp. 311-18.

largely responsible for this situation. But a two-way exchange of personnel would be even more desirable than the present one-way exchange.

A genuine partnership in public welfare administration will come into being only when the consultative point of view predominates. This point of view has become increasingly important since the passage of the Social Security Act. There is every reason to believe that it will receive greater acceptance in the future.

Selected Bibliography

Martha A. Chickering, "Administrative Supervision," *Public Welfare*, Vol. 2, No. 10 (October, 1944).

Edith Foster, "Constructive Federal-State Relationships: From the Federal Viewpoint," *Proceedings of the National Conference of Social Work, 1944*.

Kathryn D. Goodwin, "Administrative Review in Public Assistance," *Social Security Bulletin*, Vol. 6, No. 10 (October, 1943).

V. O. Key, *The Administration of Federal Grants to the States* (Chicago: Public Administration Service, 1937).

Robert T. Lansdale, "Some Observations on the Federal Audit," *Social Service Review*, Vol. XII, No. 3 (September, 1938).

Earl Latham, *The Federal Field Service* (Chicago: Public Administration Service, 1947).

William L. Mitchell, "The Administrative Review in Federal-State Social Security Programs," *Social Security Bulletin*, Vol. 9, No. 7 (July, 1946).

Raymond W. Riese, "Supervision of State Field Services," *Public Welfare*, Vol. 5, No. 9 (September, 1947).

19. Individualized Services

PROFESSIONAL ASPECT OF SOCIAL WORK

Public welfare is closely identified with professional social work. This is especially true in regard to the individualized methods of determining eligibility and measuring need that have been developed in the administration of public assistance. While case work in public welfare may not be the same as case work in private social agencies it requires a high type of professional skill.

Medicine, law, and the ministry once were the only pursuits dignified by the appellation "profession." To some they are still the only learned professions and it must be admitted that these callings have a tradition, a system of preparation, and (with the exception of the ministry) a scale of remuneration that are far more impressive than those in social work.

Historically the ministry was the first profession and all other specialized endeavors in modern society which demand the novitiate to undergo a rigorous and systematic preparation are offshoots of it. In primitive societies the person who first was able to rise above his fellow men and to control their actions was the medicine man, who occupied the position of a priest. The priest continued for many generations to combine in his service to mankind the work of the teacher, the doctor, and the lawyer as well as his duties as a spiritual advisor. During the colonial period Cotton Mather referred to the dual role of a clergyman in medicine and religion as an "angelic conjunction." Dr. Mather, who was identified with the famous Salem witchcraft craze of 1691-1692, was an early practitioner of psychiatry. His school of thought was not "depth psychology," or "will therapy," but the theory of "demoniacal possession." His active part in the prosecution of the witches illustrates not only that he shared the opinions of the majority of the people in his community regarding the causative factors of mental deviation, but that he actually practiced what today would be a medical specialty. The learned doctor operated a sort of clinic for the "possessed" in his home where he kept them under close supervision and offered therapeutic prayers for their recovery.¹

¹ Albert Deutsch, *The Mentally Ill in America* (New York: Doubleday, Doran, 1937), pp. 32-36.

The reason for the performance of multiple chores by the minister in such a society is obvious; he was the only educated man in the community and, therefore, was the only one who was capable of ministering to the sick, educating the young, and reading the laws as well as the scriptures. The earliest colleges in America, such as Harvard, were established for the education of ministers.

One of the first professions to break away from the parental fold was medicine, but this did not come about until a distinct body of medical knowledge had been built up. Medicine appears to have been taught in the English monasteries through the study of Byzantine authors, from the time of Bede to the Norman period. The relationship between medicine and the Church was continued when the English universities were founded and "Physic," together with theology and civil and canon law, was studied in superior faculties.²

In colonial America there were relatively few physicians who were educated in medical schools; instead the majority of the practitioners learned their profession through a system of apprenticeship. There are records of the selectmen of colonial communities conferring the degree of M.D. upon persons who had presumably effected cures upon diseased individuals. We must remember that bloodletting was the chief therapeutic device of the time and that the study of human cadavers was taboo, although there were a few "honest tradesmen" like Jerry Cruncher in Charles Dickens' *A Tale of Two Cities* who secured laboratory material for the study of human anatomy. The methods of treatment in regard to mental disorders were terrifying. King George III had at least five attacks of mental illness and the brutal treatment to which the sovereign was subjected, as brought out in parliamentary investigations, had some effect in attracting public attention to the condition of the mentally ill. Perhaps he was given one of the standard treatments of the day, "the bath of surprise"; a patient was led to a hidden trap door which sprung open and plunged him into an ice-cold bath. Or he may have been given "the well cure" in which a patient was chained to the bottom of an empty well and cold water was slowly dropped upon his head, presumably to instill the fear of death in him and shake him from his state of mental confusion.³

The experiences of Dr. Benjamin Rush, a graduate of Princeton and an Edinburgh M.D., in treating the victims of the Philadelphia yellow fever epidemic of 1793 are illustrative of the status of medicine

² A. M. Carr-Saunders and P. A. Wilson, *The Professions* (Oxford: Clarendon Press, 1933), p. 66.

³ Deutsch, *op. cit.*, p. 81.

at this time. He believed the disease to be of domestic origin, but his fellow physicians disagreed with him so violently that his name was mentioned with horror by many of his colleagues.⁴

Medical education is now well organized, but it became so only after many years of hard work on the part of the American Medical Association, which was organized in 1847 and reorganized in 1901. The A.M.A.'s Committee on Medical Education and Hospitals was established in 1904 and with the publication in 1911 of the famous report of the Rockefeller Foundation on medical education became a powerful body for its betterment. The Committee's work resulted in the elimination of most of the low-grade medical schools and schools of medicine are now generally recognized as the best professional schools in the country.

As society became more highly developed there was need for additional specialists; hence the teaching profession, the engineering profession, the nursing profession, the profession of veterinary medicine, the journalist's profession, and others. Each of these proceeded to build up a system of education and a professional folklore. Inasmuch as social work is one of the younger specialized disciplines it has not been considered by many to be on a level with the older professions, but social work came into being because the other professions were not entirely successful in this field. Thus the social worker has to clean up, after the physicians, the ministers, the lawyers, and the teachers have exhausted their resources. A problem boy, for example, comes to the attention of a probation officer only after the school has attempted to correct the boy's behavior, the minister has given spiritual advice to the boy and his family, the physician has attended to the medical needs of the child, and the juvenile court judge has dismissed the boy's case on numerous occasions with words of fatherly advice.

The professional aspect of social work has been criticized on numerous occasions. Social workers, as early as 1915, were interested in securing recognition as professionals and invited Abraham Flexner, then Assistant Secretary of the General Education Board, to discuss at the meeting of the National Conference of Charities and Corrections, "Is Social Work a Profession?"⁵ Flexner concluded that social work was not a profession "in the technical and strict sense of the term" because at that time social workers acted primarily as

⁴ Edith Abbott, *Some American Pioneers in Social Welfare* (Chicago: University of Chicago Press, 1937), p. 8.

⁵ *Proceedings of the National Conference of Charities and Corrections, 1915*, pp. 576-90.

liaison agents between various professional groups. Social workers, he declared, were mediators who like a nurse worked under someone else's direction. He offered the following criteria of a profession:

(1) Professions involve essentially intellectual operations with large individual responsibility; (2) they derive their raw material from science and learning; (3) this material they work up to a definite and practical end; (4) they possess an educationally communicable technique; (5) they tend to self-organization; (6) they are becoming increasingly altruistic in motivation.

Since then social work has been reaching a more mature professional status and it is now generally recognized that it meets most of Flexner's criteria. The intellectual aspects of social work and the individual responsibility of its practitioners are no longer questioned to the same extent as in 1915. While social work may not be too advanced in its application of social scientific principles it is now recognized that it is based upon such principles. With the development of large public welfare departments it can no longer be denied that many social workers have large-scale responsibility of an independent or quasi-independent nature. Our public welfare programs have, therefore, contributed to the professionalization of social work. Its professional nature, however, is primarily associated with social case work.

PRINCIPLES OF SOCIAL CASE WORK

Social case work is an individualized service, defined by Mary E. Richmond as "those processes which develop personality by means of adjustments consciously affected, individual by individual between man and his social environment."⁶ Whether it is considered as a field or a process, case work is concerned with the welfare of the individual. Ideally the case worker is interested in a social and economic structure that will enable every individual to obtain his maximum personal development. In order to achieve this ideal the case worker has two objectives: (1) changing our social institutions, and (2) the establishment of special services for those in need. "The first objective is an important responsibility of all social workers, but the activities of case workers are concerned largely with the second objective."⁷

⁶ Mary E. Richmond, *What Is Social Case Work?* (New York: Russell Sage Foundation, 1922), pp. 98-99.

⁷ Charlotte Towle, "Social Case Work," *Social Work Year Book*, 1947, pp. 447-83.

Social case work is a generic method that is practiced in a variety of agency settings. Originally it was practiced only in charity organization societies whose function it was to help people who had problems as a result of some social breakdown. It has since been practiced in many agencies and institutions which have some other primary function such as hospitals, courts, and schools. With the establishment of public unemployment relief agencies during the depression it became a part of our relief services. The mass of investigational work in these public agencies, however, caused limitations upon individualized services. Even so the principles of case work in a public agency are similar to those in other agencies.

Social case work is usually divided into three distinguishable elements: investigation, diagnosis, and treatment. These concepts are useful, but it should be recognized that they are all parts of a unified process. If they are too sharply defined the process is oversimplified. For example, when the applicant first comes to the public welfare agency the case worker is concerned with the investigation of his application. But the diagnosis of his situation and the treatment of his problems are also being carried out at the same time. The way in which the case worker interviews the applicant, who is sensitive regarding his status as a dependent person, sets the stage for subsequent treatment. The case worker, therefore, cannot defer the treatment aspects of the situation until a later date. One worker carries on the entire case work process and it is erroneous to assume that the three aspects can be separated. Furthermore it is to the benefit of the client to become self-dependent as soon as possible and in order to accomplish this goal treatment must begin at the earliest possible time.

The purpose of investigation is to collect impartially the relevant facts regarding the particular case. The basic assumption of social-scientifically oriented case work is *deterministic*. That is it is recognized that all behavior, conformist or nonconformist, has specific causes which may be discovered and understood. The process of investigation is carried on primarily through interviews.⁸ The case worker may interview the client, his friends, relatives, and immediate associates, his former employer, and many other persons, depending upon the peculiar situation of the individual client. In addition the case worker secures information from documentary sources; for example, age must be verified in order to receive old-age assistance. This is done by examining documents such as birth certificates, baptismal certificates, family Bibles, or insurance policies.

⁸ See Alice J. Webber, "Interviewing," *Social Security Bulletin*, Vol. 3, No. 4 (April, 1940), pp. 11-16.

The interview is the most important and perhaps the only sharply defined tool in social case work.⁹ The original interview with the client is now recognized as one of the most important, if not the most important, in the case work process. The practice in many public welfare agencies of having a clerk or a relatively inexperienced member of the social work staff take the original application is now questioned. While contact with the client may be brief at this point there is great need for skill and experience. The applicant may not be eligible for a grant under the program and this must be told to him at the first interview. He may need referral to another agency which should be done promptly and efficiently. As Bertha Reynolds has noted, "social treatment has been seen to begin with the first contact as truly as diagnosis continues until the last."¹⁰

In a public assistance agency the original interview is usually held in the office, but later a number of interviews are held in the home of the client or in the field. All interviews must be carefully planned and arranged by the case worker, who must also decide whether to interview members of the client's family (usually referred to as "collaterals" in social work parlance). While relatives, friends, and former employers may be able to offer pertinent information about the client's situation it is possible to carry this part of the case work process too far. A number of years ago it was thought to be essential always to interview the neighbors of the applicant. It is now believed that interviews of this kind may do more harm than good and often result in securing gossip rather than social evidence. In general it is advisable to have collateral interviews only with the client's permission.

The diagnostic process begins with investigation and proceeds through treatment. As more and more information is obtained through interviews and documentary sources, the worker begins to shape up various possible plans for the treatment of the case; thus investigation leads to diagnosis. A mother applies for aid to dependent children. As the worker interviews the mother, checks the documentary evidence, and determines the need of the family it becomes apparent that the mother is eligible to receive the grant for her chil-

⁹ Margaret E. Rich, "Forward" in *Interviews, Interviewers, and Interviewing in Social Case Work* (New York: Family Welfare Association of America, 1931), p. vii.

¹⁰ Bertha C. Reynolds, *An Experiment in Short-Contact Interviewing* (Northampton, Massachusetts: Smith College Studies in Social Work), Vol. III, No. 1 (September, 1932), p. 3. See also Annette Garrett, *Interviewing: Its Principles and Methods* (New York: Family Welfare Association of America, 1942).

dren, but as the worker interviews the school principal and the family physician it is apparent that more than a cash grant is necessary. One of the children is in need of medical care and another is having difficulty in school, due perhaps to an emotional problem. A number of tentative plans are considered until finally the facts point to the need not only of relief and medical aid but also of psychiatric treatment for the child with the school problem.

ROLE OF CASE WORK IN PUBLIC WELFARE

The extent to which the public welfare agency should engage in case work treatment is controversial. So far the major emphasis in the public agency has been placed upon the establishment of eligibility. It is undoubtedly true, as at least one commentator has noted, that some public assistance workers become so involved in the process that they fail to recognize the individual personality of the clients.¹¹ It is generally recognized, however, that there is an opportunity for limited case work treatment in the public assistance agency. The selection of those cases which can be given such treatment is part of the diagnostic skill of the public assistance worker.

The majority of the recipients of public assistance are not in need of case work treatment. Their needs are fundamentally financial and are met through their monthly assistance grants. Nevertheless there are many recipients, particularly dependent children, who are not properly cared for in spite of the size of the grant. In some cases dependence upon public assistance emphasizes personal problems that would otherwise be unimportant. Our society is a competitive one that emphasizes financial status. The person who is unable to support himself may be so keenly aware of his financial inadequacy that he may also become socially inadequate. In these cases it is incorrect to assume that the case worker should go no further than to prove eligibility. If he stops when the grant is made the family may not be properly fed and clothed. Perhaps nothing more than the education of the mother in the elements of household management is required. Perhaps intensive case work is required because of the personality problems of the mother. Whatever is required should be given as a part of the service of the agency. Nor is case work service limited to the aid to dependent children program; it is often essential for the social well-being of recipients of old-age assistance and aid to the blind as well. A financial grant does not

¹¹ Marjorie J. Smith, "Social-Case Work in Public Assistance," *Proceedings of the National Conference of Social Work*, 1944, pp. 3-9.

serve the needs of the aged person who is ill and homeless. Likewise case work service is often required for the re-education and rehabilitation of blind persons who receive aid to the blind.

Therefore it is necessary for case work treatment to be given some recipients of public assistance. In order to choose those cases for whom this service shall be given the public assistance worker should possess skill in social investigation and social diagnosis.

Should those needing intensive case work treatment¹¹ have their cases handled by a few highly trained workers or should all workers be equipped to render this service? It can be argued that such a service should not be given except by skillful and well-trained persons. It is certainly not advantageous to the individuals with problems or to society as a whole to have counsel about these problems given by poorly qualified individuals. Indeed it might be preferable for the public agency without qualified case workers to make no attempt to handle problem cases. On the other hand it can be argued that the public welfare agency is the only social agency in approximately 90 per cent of our American counties. It is in these agencies where there are comparatively few professionally trained social workers, but where the need for case work treatment is the greatest. In the urban areas there are private case work agencies to whom those in need of intensive treatment can be referred; there are no resources of this sort in rural areas. It is apparent, therefore, that many public welfare agencies are going to provide some case work service if it is to be available in their communities.

Furthermore we should not overlook the administrative element in case work in a public agency, called case load management. Cases are usually assigned on a geographical basis; that is the county is divided into districts and a worker is assigned all cases within the district. Each worker has from 100 to 150 cases — one hundred of these would be old-age assistance cases; twenty-five, aid to dependent children; twenty-four, general assistance; and perhaps one, aid to the blind. The worker, therefore, must have sufficient skill in case load management to determine how much work should be done in each case. Many a skilled case worker from a private agency has been frustrated when first confronted with this problem in a public agency.

¹¹ Even though the social worker may believe that intensive case work treatment is required it should never be given, particularly in a public agency, unless voluntarily requested by the client. People with problems in a free society have a right to live with them in their own way unless they become public health hazards or public nuisances. Then the law enforcement authorities, not the case workers, would have to take charge of the case.

While the majority of the 150 cases in a worker's load will not require intensive treatment they do require a humanized type of individual attention. To give this attention to these cases requires skill that is at least as important as the skill required for the intensive treatment of a few cases.

It does not seem advisable, therefore, to have one or two workers in an agency to handle all the cases needing intensive case work treatment. Such an arrangement would result in neglect, for it would create a routine and inferior service for the majority of the cases and erect a professional barrier between the employees who make routine investigations and those who provide intensive service. This means that the principles of social work that are applicable to case load management should be utilized by all case workers in the public service. It also means that ideally all workers in a public agency should be qualified to render intensive services to those cases requiring it and that the so-called routine of investigation should become a skill of the highest order.

Inasmuch as the use of the case work method means that receiving public assistance may become a constructive experience for the client it is obvious that case work principles should be widely used. These principles, however, must be those that are specifically adapted to the public agency. Bernice E. Orchard has noted that the use of case work in public assistance may be divided arbitrarily into four parts: (1) interpretation of the program to the client, (2) establishment of eligibility, (3) budgeting, and (4) continued service.¹²

The client's understanding of the program begins when he first makes application. He should learn the needs that the agency is able to meet and what are his responsibilities in the process of establishing eligibility and what are those of the agency. It is the intake worker who begins the explanation of the agency to the client and who sets the tone for the subsequent client-agency relationship. Obviously this calls for case work skills in spite of the mass nature of the program.

There are those who believe that the determination of eligibility is a routine task devoid of case work implications. This is not necessarily true; indeed, this may be a case work service of the highest nature. In a public assistance program, as we have already noted, certain legal verifications — proof of age, marital status, and school

¹² Bernice E. Orchard, "Case Work in Public Assistance," *Proceedings of Institute for County Welfare Directors and the Institute for Social Case Workers, 1947* (Madison: University Extension Division, University of Wisconsin, 1948), pp. 21-28.

attendance — are often required. The explanation of why these are needed and the degree of responsibility that the client can assume in providing these is a case work service. It is not correct to assume that applicants for old-age assistance are humiliated because they have to prove their age. Often they are quite eager to do so and will produce the required proof themselves. There is, in most cases, value to the client in participating in the determination of eligibility. It gives him an opportunity to learn the process and it emphasizes his legal right to relief if he is in need. At every stage he needs an explanation as to why certain requirements are necessary; for instance, he must know why it is essential to secure information from his former employer and certain responsible relatives. The worker who carries out the determination of eligibility with skill is performing a service. If the client is only in need of money the recognition of this fact is in itself important.

Budgeting is likewise an important case work tool. As soon as eligibility has been established, the specific needs of the applicant must be considered. Public assistance agencies have a standard budget, the operation of which must be explained. The various items must be gone over and the client should understand how his monthly grant has been determined. This is an important service.

The case work carried on after the determination of eligibility is known as continued service. The worker's responsibility does not cease with the determination of original eligibility. Reinvestigations are required at periodic intervals and the status of clients who originally appear to be without need for service may later change.

Case workers in public assistance agencies should be well qualified by experience and training in case work methods. With case loads of 150 to 200 cases per worker the worker must decide which clients are in need of service. Workers have to recognize that clients of a public assistance agency are free citizens, the majority of whom are not in need of intensive case work treatment. Workers must also recognize that clients have a right to accept or reject treatment and that the monthly grant should not be used to force the recipients to accept this treatment.

RIGHT TO ASSISTANCE

Our modern public assistance programs differ from the older programs administered by the overseers of the poor in that they emphasize the legal right¹⁴ of the person in need to receive relief. This

¹⁴ The legal right to public assistance for those who are in need is different from the legal right to receive social insurance benefits. The right to receive

principle has always been clear, but under our poor laws officials did not always provide needed assistance and it was not always possible to enforce this statutory responsibility. The poor laws in most jurisdictions failed to define exactly who were those persons who possessed the right to receive aid and how that right was to be enforced. Hence the rights of the clients were left, in the final analysis, to the discretion of the local overseers of the poor.¹⁶

This was changed with the passage of the Social Security Act. One of its major premises is that assistance should be administered as a right to those who are in need. The provision that the state agency must provide for a fair hearing for dissatisfied recipients and applicants enables clients to challenge the decisions of the local agency. Eligibility requirements, therefore, are important to the applicant because he can hold the agency responsible under law and regulation for its decision.

The client also has certain rights because by law the agency is restricted in the use of information he may give to it. All records of the agency in regard to the individual are confidential and his business with the agency is private.

In order to administer public assistance as a right to those in need and to guarantee confidential consideration of the client's case the agency must have definite policies. Eligibility must be determined in an objective manner and assistance must be granted on an equitable basis to all eligible individuals. The right to assistance, therefore, rests upon the availability of funds and the standards under which the agency attempts to meet its obligations for individual recipients.¹⁷

insurance benefits is a semi-contractual right, not based upon individual need as determined by investigation. The person who is unemployed is presumed to be in need because of his lack of work, but this presumptive need is not investigated by the unemployment compensation commission. The unemployed worker has paid benefits to the fund through wage deductions and has a contract with the state to receive benefits when out of work under conditions specified in the law. The amount of his benefit is determined in accordance with a formula specified in the law. The amount of the grant under public assistance, however, must be determined by administrative discretion in accordance with individual need. One can conclude, therefore, that there is a legal right to receive public assistance if the applicant is in need, but that the determination of need is an administrative matter not subject to judicial review.

¹⁶ Edith Abbott, "Is There a Legal Right to Relief?" *Social Service Review*, Vol. XII, No. 2 (June, 1938), p. 263.

¹⁷ Grace F. Marcus, *The Nature of Service in Public Assistance Administration*, Public Assistance Report, No. 10, Social Security Administration (Washington: United States Government Printing Office, 1946), pp. 1-5.

Inasmuch as the needs of recipients vary widely it is necessary for the agency to establish policies that will respect their individuality. At the same time all recipients must be assured of equitable treatment. The case workers who make such policies effective are rendering a high type of service.

UNRESTRICTED MONEY PAYMENT

The individual recipient of public assistance is further protected through the money payment. The Act specifies that the grant must be an unrestricted money payment. The recipient is fully responsible for deciding for what he is to spend his money. To him it is an indication that he has not, through his dependency, lost his capacity to manage his own affairs. A restricted payment, on the other hand, is a payment made under certain limitations imposed by the agency. For example, a check may be given to the client with the condition that he use the money only for the payment of a medical bill. A receipt may be required to show proof, or a voucher for groceries may be issued directly to the store where they are to be purchased by the client.

Cash payments were universal in European countries long before they were introduced in America.¹⁷ In the United States the first real trial with cash relief came in Chicago after the fire of 1871. Within the next half century cash became the accepted basis for relief distribution in private societies. When the states began establishing special assistance programs for the aged, the blind, and the dependent children in the first two decades of this century they paid cash grants. But local poor relief generally followed the ancient poor law tradition of relief in kind. As late as 1931-1933 when the states were establishing special programs for the administration of unemployment relief, they did not give cash grants. In 1931, for example, the Pennsylvania legislature passed a law establishing a state emergency relief administration. This law stated that "each political subdivision charged by law with the care of the poor shall have authority under the provisions of this act . . . to expend the moneys received for the purpose of providing food, clothing, fuel, and shelter . . . In no case shall any of said appropriation be used for paying cash, commonly known as a 'dole' to persons entitled to relief."¹⁸ Experimentation with cash relief was attempted by some

¹⁷ Joanna C. Colcord, *Cash Relief* (New York: Russell Sage Foundation, 1936), p. 3.

¹⁸ *Laws of Pennsylvania, 1931, Extraordinary Session, Laws and Resolutions*, No. 7 E.

states during this period and by more and more as the depression lengthened.

It was common practice in many public and private agencies giving cash grants to have clients show receipted bills for their expenditures. This type of paternalism was eliminated in public assistance by the provisions of the Social Security Act. The unrestricted money payment has established a new type of relationship in which both the client and the agency have definite responsibilities. The agency administering the assistance program is responsible for interpreting to the recipient the eligibility requirements and the budget system. The client has responsibility for informing the agency of his needs and assisting in the determination of his eligibility. But he has the same responsibility for managing his money after he receives his grant as any other person in the community.¹⁹

METHODS OF DETERMINING NEED

An examination of public assistance administration in the various states reveals that various methods of determining need have been used. Old-age assistance, for example, while administered on a needs basis in all states is not always administered in the same way. The Act specifies that all grants must be awarded on a needs basis and that all income and resources must be taken into consideration; otherwise need is not defined. In 1948 forty-one states and Hawaii and Alaska defined a needy person as one with insufficient income to provide reasonable subsistence compatible with minimum standards of health and decency.

Many states have placed limits on the amount of monthly grants. In 1948 all but twelve states, including the District of Columbia and Hawaii placed a limit on old-age assistance grants. Usually these limitations are statutory, but in some instances they are administrative. The maxima are for various amounts, ranging from \$30 to \$90. Some states do not specify an amount, but will not grant more than will be matched by the federal government (in 1948 this was \$50 per month). In Wyoming the maximum was \$50, but if the spouse was eligible for old-age assistance, aid to dependent children, or aid to the blind, the maximum was \$80. In Arizona there was a maximum of \$60, but assistance plus income could not equal more than \$110.

¹⁹ Jane Hoey, "The Significance of the Money Payment in Public Assistance," *Social Security Bulletin*, Vol. 7, No. 9 (September, 1944), pp. 3-5.

In determining the needs of the eligible individual most states use the budget-deficit method. The theory of this method is that there are essential needs for any family and that a cash value can be placed upon these needs. In addition a cash value must be placed upon the income and resources of the individual. This amount is deducted from the individual's needs and the deficit is the amount of his grant.

A family budget is used as a uniform and practical gauge for estimating the needs and determining the amount of assistance necessary to meet these needs. For the agency it presumably offers a flexible and objective standard for determining whether or not the family resources are adequate to maintain minimum standards of health and decency. For families and individuals the method presumably provides an equitable, if not too easily understood, method of determining need. Expenses included in the family budget usually are food, special diets, clothing, rent, shelter, fuel, utilities, household expenses, medical care, insurance, transportation, and school supplies.

Food budgets are based upon scientific nutrition requirements. In Wisconsin the foods included have been calculated on a basis of a low cost diet which will meet the requirements in different sex, age, and activity groups. These were based upon recommendations of the Bureau of Human Nutrition and Home Economics of the United States Department of Agriculture. The bureau, through scientific studies, has showed what foods are essential. The department then found out the cost of these foods in the state. The following was the food schedule used in Wisconsin during 1948, computed on a monthly basis:

SEX, AGE AND ACTIVITY GROUPINGS	NUMBER OF PERSONS IN FAMILY				
	1	2	3	4, 5, 6	7 or more
Men					
<i>Sedentary</i>	\$23.50	\$22.55	\$21.55	\$19.60	\$18.65
<i>Moderately active</i>	26.35	25.25	24.15	21.95	20.85
<i>Very active</i>	34.45	33.00	31.55	28.70	27.30
Women					
<i>Sedentary</i>	21.70	20.80	19.90	18.10	17.20
<i>Moderately active</i>	23.05	22.10	21.15	19.20	18.25
<i>Very active</i>	26.80	25.70	24.55	22.35	21.20
<i>Pregnant</i>	26.60	25.50	24.35	22.15	21.05
<i>Nursing</i>		31.00	29.65	26.95	25.60

Boy				
16-20	30.50	29.20	26.55	25.20
13-15	27.35	26.20	23.80	22.60
Girl				
16-20	22.65	21.65	19.70	18.70
13-15	24.55	23.45	21.35	20.25
Child				
10-12	23.10	22.10	20.10	19.10
7-9	19.30	18.45	16.80	15.95
4-6	15.60	14.95	13.60	12.90
1-3	12.70	12.15	11.05	10.50
Under 1 year	11.55	11.05	10.05	9.55

To compute the monthly cash allowance for a family group, one should select the column which represents the size of the household unit, and add the amounts specified for the individuals in the family. The definitions for the activity groups are:

A *sedentary* person is one whose activities do not require an extensive amount of mental or physical exertion.

A *moderately active* man is usually employed but does not exert himself physically to a great extent.

A *very active* man is one who is working strenuously at some form of labor which requires physical exertion.

A *moderately active* woman is one whose duties require considerable activity and physical exertion.

When a special diet is necessary the additional costs of the food recommended by the attending physician are computed and included in the budget.

The standard food budgets used in the various states permit public assistance recipients to have a diet compatible with minimum standards of health and decency only if there is ideal household management. It requires unusual ability to be able to purchase all foods at minimum prices and to buy the proper quantity of each item. Also the budget does not allow for waste. In other words it makes it theoretically possible for public assistance recipients to have proper diets. It is doubtful, however, if this can be achieved in practice.

Minimum clothing schedules for the various age, sex, and activity groups are computed by listing various articles of clothing which are considered necessary by the department. The schedule includes the number of each item and the length of time it should be worn. The department has attempted, by use of these clothing schedules, to

arrive at an equitable cash allowance for clothing for the different age, activity, and sex classifications.

Rent allowances must of necessity be made on an individual basis. Wisconsin uses a "shelter formula" which is a guide in measuring the validity of the rental charge. The rent is computed on the basis of the cost of taxes and insurance (not to exceed 20 per cent of taxes), plus repair costs not to exceed \$36 a year for a family unit, plus depreciation. When a recipient owns his home, an allowance is made for maintaining that home, although as a general rule the cost of maintenance should not exceed the average rent allowance. Maintenance includes taxes, insurance, repairs, and upkeep.

Wisconsin uses schedules for household and personal expenses. Household expenses include a specific amount for one person, a smaller amount for the next three persons, and still smaller amounts for each additional person. This schedule is intended to meet the cost of maintenance items. A similar schedule is used to cover personal expenses, such as the cost of toothpaste, shaving equipment, and haircuts.

After the budget has been determined it is necessary to place a cash value upon income and resources. This presents numerous complexities. Wisconsin has the following definition of income: It is "that portion of an individual's income available to him after providing for support for his legal dependents such as his spouse, minor children or an incapacitated adult child." The cash value of resources, such as garden plots and small farms, is more difficult to calculate. It has to be done on an individual basis.²⁰

The budget-deficit method is used in the majority of states for all public assistance programs. It is claimed that it is the most objective measurement of individual need that has thus far been devised. Another factor in its favor is that it seems to be a fair and equitable method of distributing public assistance funds. There are a number of complaints, however, that can be made against this system. In the first place, it is complicated and not easily understood by the workers or the clients. In the second place, it has been criticized because it is claimed that it does not result in true social security. Clients, not knowing how their grants are calculated and not knowing why changes are made, do not know from month to month the amount of their grants. In the third place, it has been claimed that the system, particularly in regard to the determination of the value of resources and special budget items, is not as objective as it

²⁰ Wisconsin State Department of Public Welfare, *County Manual*, Section III (1946).

appears. In the final analysis many items depend upon the personal judgment of the case workers.

The flat-grant-less-income method has been used in a few states to determine need for old-age assistance. Under this system a standard budget is not used; instead the legislature (or as in Colorado, the constitution) sets the standard, which becomes both a minimum and maximum. In Colorado, prior to a 1947 act of the legislature, the constitution declared that every individual eligible for old-age assistance should receive \$45 per month, from his own resources plus old-age assistance. The case workers, therefore, accepted \$45 as the need of each individual and subtracted his cash resources from this amount. This system does not eliminate the difficult task of assessing income and resources. This must be done in the same way as under the budget-deficit method.

This system, it is claimed, gives the recipient a greater sense of security. He knows what his needs are, and he can determine from month to month what his grant will be. Also it results in higher grants; at least those states which use it, or a variation of it, have higher average grants for old-age assistance than other states. Furthermore those in favor of this system believe that it is more objective in that the case worker does not have to compute the needs of every eligible individual.

There are also many obvious criticisms that can be leveled against this system. It does not measure individual need. For example, a man residing in a city where he has a free room provided by his son may receive \$45 less \$10 (the fair monthly rental value of the room), while a man in a small community under similar circumstances may receive \$40 as a grant because the fair monthly rental value of the room may be only \$5. While the man in the city may be in greater need his grant is lower. Under some circumstances recipients may get less than they need, particularly for such special items as medical care. Other critics have contended that the system is far too expensive because it results in many high grants that are obviously beyond ordinary need.

In order to overcome some of the criticisms of this system and still preserve its good features some states have developed the "guaranteed minimum." Under this system the grant-less-income method is used as a basic guarantee and, if additional needs can be shown, a budget-deficit system is also used. This system, which originated in California, has been used in Colorado since 1947. The law in Colorado is as follows:

The amount of pension which any applicant, eligible under this Act, shall be paid shall not be less than forty-five dollars per month, together with such additional amount per month as shall be found by the State Department to represent need, limited, however, by the funds available in the old-age pension fund . . .

The general effect of this statute has been to remove the maximum of \$45 minus income, but at the same time continue it as a minimum. The authority to determine need operates only in the negative; that is, any increase in old-age assistance requires the department to determine need for each recipient claiming need beyond the minimum grant available.²¹

The guaranteed minimum system, therefore, takes special needs into consideration. But it does not eliminate the other alleged weaknesses of the flat-grant-less-income system. Individuals in similar circumstances in different communities will not be treated equally unless their needs are greater than the minimum, and obviously it costs even more than the other system.

Inasmuch as public assistance programs are for needy persons the agencies administering these programs cannot eliminate the determination of need. Whether the budget-deficit or a combination of the flat-grant-less-income and the budget-deficit method is used²² consideration must be given to the needs of the individual applicant. The skill of the case worker in making the determination of need is a constructive service to the individual recipient.

PROFESSIONAL EDUCATION FOR PUBLIC WELFARE

The individualized services that are becoming more and more an essential part of public welfare require professionally qualified employees. Professional education for these persons is secured from schools of social work, the first of which were established at the turn of the century. When compared with education for the established professions of law, medicine, and theology this is a brief period. Nevertheless professional social work has made rapid and important strides in recent years.

Professional education for social work originated as part of the charity organization movement which came to its highest develop-

²¹ Information secured by letter from Riley E. Mapes, Regional Representative, Bureau of Public Assistance, Social Security Administration, Denver, Colorado, August 25, 1947.

²² No state has used the flat-grant-less-income system in pure form since 1947.

ment in America in the 1890's. In 1897 the Committee on Philanthropic Education of the New York Charity Organization Society started a six weeks summer session. This became an eight months course in 1904-1905 and developed into the New York School of Social Work, which has been affiliated with Columbia University since 1940. Other schools were started in Chicago, Boston, Philadelphia, and St. Louis between 1901 and 1908.

By 1919 there was a large enough group of schools to organize the Association of Training Schools for Social Work, now known as the American Association of Schools of Social Work. At first the requirements for membership were not very specific and it was not until 1932 that the association adopted a basic minimum curriculum which was required to be offered in every member school. Since 1940 the association has had a full-time paid executive secretary. At the present time the following are the membership requirements: (1) establishment and maintenance of the minimum prescribed curriculum, (2) an adequate and qualified faculty, (3) a program leading to a certificate or professional master's degree, (4) affiliation as an integral but autonomous unit with a university of graduate caliber, and (5) a director and faculty authorized to exercise control over the affairs of the school. In February, 1949, there were fifty-two members.

Unfortunately the member schools of the American Association of Schools of Social Work have done comparatively little in training staff for the public services. There are approximately 25,000 employees in professional positions in state public assistance agencies.²³ On November 1, 1948, there were only 4051 full-time professional students enrolled in American Association of Schools of Social Work schools. During the academic year 1947-1948 only 1836 students completed the two year professional curriculum.²⁴ A comprehensive study of the employees in twenty-six state agencies made by the federal bureau of public assistance in 1943 revealed that less than 3 per cent of the workers employed in beginning positions had some

²³ In a study of three-fourths of the local agencies administering the federally aided public assistance programs in 1946 it was found that there were 18,946 professional employees in those agencies. They were classified as follows: directors, 2491; supervisors, 1675; visitors (case workers), 14,830. Vivian B. Norman and Dorothy R. Bucklin, *Personnel in Local Offices of State Public Assistance Agencies: Part I, Salaries* (Public Assistance Report No. 12, Social Security Administration, 1947), p. 2.

²⁴ American Association of Social Workers, *Statistics on Social Work Education: November 1, 1948, and Academic Year 1947-48*.

graduate training.²⁶ The graduate schools of social work, therefore, have not met the personnel needs of the public assistance agencies.

As a result, numerous undergraduate schools, mainly in land-grant colleges and state universities, developed undergraduate courses of instruction in social work. In 1942 these schools organized the National Association of Schools of Social Administration. The membership list in 1947 included thirty-two member schools, most of them divisions of undergraduate departments of sociology. Recently the NASSA has been attempting to establish membership standards and develop accrediting procedures.

The relative positions of AASSW and NASSA now seem fairly clear. The AASSW is concerned primarily with graduate instruction and the NASSA with undergraduate instruction. The differences between the two organizations have been substantial enough so that a national organization was established to study the entire field of social work education. This organization, the National Council on Social Work Education, has received a grant from the Carnegie Corporation and is undertaking a comprehensive study. It is expected that this study will result in the establishment of a single accrediting body for social work education with recognized undergraduate as well as graduate courses.

Undergraduate instruction may be at least part of the answer for personnel in public welfare agencies. It seems doubtful if salaries will become large enough in public agencies within the next decade or so to warrant graduate training for most workers. In 1946 the median monthly salary for case workers in public assistance agencies was \$165.²⁷ While it may be doubtful logic to argue that professional courses should be taught to college seniors it may be preferable to recruiting completely untrained and inexperienced workers for the public agencies.²⁷

If salaries were higher it is doubtful if the present graduate schools of social work could expand their facilities to meet the demand. It has been estimated that during 1946 there were some 3300 social work students enrolled in field work and that the maximum capacity of the schools for field work is 4000. On November 1, 1948, 3700 students were enrolled in field work. Competition for these place-

²⁶ Karl de Schweinitz and Neota Larson, *Training for Social Security*, a report to the Social Security Board (September 21, 1943), p. 20.

²⁷ Norman and Bucklin, *op. cit.*, p. 11.

²⁸ See Margaret C. Bristol, "A Dilemma in Recruitment," *The Compass, Journal of the American Association of Social Workers*, Vol. XXVIII, No. 7 (November, 1947), pp. 24-25.

ments is very keen in some areas and many believe that the saturation point will soon be reached. In order to circumvent this bottleneck it will be necessary to reduce field work requirements, increase undergraduate training facilities that will utilize different field work facilities, particularly those in rural public assistance agencies, or to develop new graduate schools.

All of these things are being done. Since 1940 at least six new graduate schools have been started in state universities and there will probably be a few more. Unless the new schools are in areas where there are unused field work facilities they may not, in the long run, add greatly to educational facilities. Likewise, training on the undergraduate level of a professional rather than a pre-professional nature may not add materially to total training capacity. To give proper training to college seniors rather than graduate students may not add to the supply of field work placements; it would merely assign different students to the facilities. It should also be noted that many persons believe that the college graduate with a liberal education including a major in one of the social sciences has a better preparation for public welfare employment than a college graduate who has spent at least one-fourth of his time in professional instruction at the expense of a well-rounded education in liberal studies and the social sciences.

The curricula of schools of social work, as noted above, is divided into two parts, theoretical classroom instruction and supervised field work. Field work, which is supervised practice in a social agency, has been a distinct contribution of social work to educational methodology. Social work students, therefore, learn about social work practice from actual supervised agency experience while going to school.

In order to have at least a few professionally trained staff members some public assistance agencies have been generous in granting educational leave with pay. The majority of the workers given these leaves have been child welfare workers because of special federal funds for this purpose. A study made by the federal bureau of public assistance in 1946 showed that six out of ten workers on educational leave were paid from child welfare funds. There are no special federal funds for public assistance workers. Some states have used state funds for this purpose, but in some states — such as Wisconsin, Nebraska, and Louisiana — the state statutes do not authorize the use of state or local funds for purposes of educational leave.²⁸

²⁸ "Report of State Practices for Educational Leave for the Period July 1, 1943, through June 30, 1945," Technical Training Service, Bureau of Public Assistance, Social Security Administration, 1946 (mimeographed), p. 5.

There is a real need for special funds, especially federal, to be used to finance educational leave for staff members. In most instances the increased competence acquired through educational leave enables these workers to qualify for supervisory positions. This, together with additional resources for training in social work, would provide a larger group of professionally qualified staff members. Such staff members are greatly needed because of the trend toward the greater use of case work services in public welfare agencies.

Selected Bibliography

- A. M. Carr-Saunders and P. A. Wilson, *The Professions* (Oxford: Clarendon Press, 1933).
- Joanna C. Colcord, *Cash Relief* (New York: Russell Sage Foundation, 1936).
- Albert Deutsch, *The Mentally Ill in America* (New York: Doubleday, Doran, 1937).
- Annette Garrett, *Interviewing, Its Principles and Methods* (New York: Family Welfare Organization of America, 1942).
- Grace F. Marcus, *The Nature of Service in Public Assistance Administration*, Public Assistance Report, No. 10, Social Security Administration (Washington: United States Government Printing Office, 1946).
- Mary E. Richmond, *Social Diagnosis* (New York: Russell Sage Foundation, 1917).
- *What Is Social Case Work?* (New York: Russell Sage Foundation, 1922).

20. Finance

SIGNIFICANCE OF BUSINESS MANAGEMENT IN PUBLIC WELFARE

Business management has been one of the neglected areas of public welfare administration. The most important factor in explaining this neglect is the fact that many staff members of public social agencies have come from the private social agencies. These agencies have not had to give much consideration to business management because the majority of them are small organizations primarily concerned with case work treatment. Relief-giving has been a secondary service in most of them for many years.

This statement merely explains the lack of emphasis upon business management in public welfare; it does not excuse it. The 1948 relief investigations in New York City and Baltimore¹ point out that these local departments have not been operated efficiently and economically. Some of the conclusions of these investigations² are open to criticism,³ but the studies have performed an important public service in emphasizing the need for sound business management in public welfare.

¹ For discussions of these investigations see A. J. Liebling, "Worsefeathers Swathed in Mink," *Social Work Journal*, Vol. XXIX, No. 1 (January, 1948), pp. 10-13, 28 and Donald S. Howard, "Public Assistance Returns to Page One," *Social Work Journal*, Vol. XXIX, No. 3 (July, 1948), pp. 114-20.

² The conclusions of the Baltimore study are conveniently abridged in D. Benton Biser, "The Baltimore Welfare Study," *Governmental Research Association Notes and References*, Vol. 4, No. 4 (April, 1948), pp. 1-4. The study was published by the Baltimore Commission on Governmental Efficiency and Economy, Inc., December, 1947, as *The Department of Welfare, City of Baltimore*.

³ For example, the studies claim that the underlying philosophies of public welfare are unrealistic and that the programs are conducted with disregard of the psychology of human behavior. The costs of the program appear to be the chief complaints, although there is little recognition that these costs are due primarily to the old-age assistance cases, many of which could be eliminated in the future by extending the coverage of old-age and survivors' insurance. Many of the groups (such as the Chambers of Commerce and the National Association of Manufacturers) that are interested in the New York and Baltimore studies favored the recent exclusion of an additional 750,000 persons from coverage under old-age and survivors' insurance.

MAKING THE BUDGET

A budget is an estimate of income and expenses. Every state public welfare agency presents a budget with its request for funds to the legislature, usually through a central budget agency. The executive who presents the budget must know possible sources of funds, for what aids and services they are to be spent, and the fluctuations in proposed expenditures month by month or quarter by quarter. The budget must be technically correct and it must be presented clearly and simply so that the legislature can understand why the money is needed.

A budget also is used for internal departmental administration. The money appropriated by the legislature is usually for a biennial period and hence must be spent by the agency over twenty-four months. In order for the agency to achieve its objectives it must know how much is to be spent each month. A budget, therefore, serves as a means of controlling financial expenditures by the agency.

Some states use a "line-item" budget requiring estimates to be made in detail for each item and for expenditures to be made exactly in accord with the budget. This eliminates flexibility on the part of the state agency and does not permit the expenditure of unused balances for any other item in the budget. In many instances this may interfere with efficient administration.

Central budget control has been responsible for increased efficiency and greater utilization of sound principles of business management in public welfare. Rigorous budget control, however, is not advantageous to the public welfare agency. It is impossible, for example, for the state agency to know how many sheets of typewriter paper and how many paper clips will be required twenty-four months in advance. Appropriations to state agencies, therefore, should be made in large blocks of items and the agency should have the authority to transfer funds from one block to another. This does not mean that central fiscal control is unnecessary, but it does mean that it should not be used in a ruthless and tyrannical fashion. It is obvious that the chief executive officer should not be given a blank check and that there should be control over excessive spending. But the central budget agency goes beyond its proper jurisdiction when it gives detailed instructions to the state agency. It then ceases to become a service agency and assumes some of the administrative authority of the state agency.

FINANCING PUBLIC WELFARE

One of the important aspects of financing public welfare is the tax structure of the state. Inasmuch as public welfare is one of the major services requiring a large portion of state revenues, changes in the program may mean changes in the tax structure. Hence it is important for the public welfare administrator to know the tax structure and to be aware of the various sources of revenue.

Public welfare is dependent upon a variety of taxes. The most important of these are income taxes, property taxes, and excise taxes. Students who have considered the essentials of a good tax system believe that an ideal tax should (1) be productive, that is bring in ample revenue; (2) be elastic, that is respond to different demands in accordance with changing requirements; (3) be stable, that is assure adequate revenues in both good and bad times; (4) have diversity of sources in order to assure a sufficient amount; (5) be simple, so that the public can understand it; (6) be convenient from the point of view of collection; (7) be efficient from an administrative point of view; and (8) be just.⁴ It is apparent that no single tax measures up to all these desirable characteristics. Local governments must rely upon the property tax as the backbone of their revenue system, in spite of the many regressive features of this tax. Some states are prevented by their constitutions from levying income taxes. Many states have had to utilize the sales tax to support public welfare although recognizing that it is far from an ideal tax.

The United States raises a larger portion of its total revenue from the property tax than any other major country in the world except Canada. In 1941 approximately 31 per cent of all revenues — federal, state, and local combined — came from this tax (the figure had been more than 50 per cent, 15 years earlier). In 1941 approximately 56 per cent of all local funds came from the property tax. While there is no generally accepted definition, in its broadest sense it is a tax upon all wealth, tangible and intangible. Theoretically it is levied upon exchange value and at a common rate in a district. In the modern state there are numerous kinds of goods which are owned and have value. Originally only selected types of property were taxed, but today the tax has been greatly modified, the extent of coverage depending upon the laws of each state. There is, however,

⁴ Alfred G. Buehler, *Public Finance* (New York: McGraw-Hill, 1940), pp. 334-43. See also Mary Sydney Branch, "Financing Public Assistance and Social Insurance," *Social Service Review*, Vols. XXI, XXII, Nos. 4, 1 (December, 1947, March, 1948), pp. 478-500, 54-73.

a distinction between real and personal property, the tax being chiefly on real property or real estate. In many states personal property is exempt from taxation by law.⁵

As long as public relief was the exclusive responsibility of local governments the property tax was the chief financial resource. With the advent of federal and state grants for public welfare it has had a less conspicuous part in the total tax structure for public welfare. Since the passage of the Social Security Act there has been a decided shift from local to state taxation. As illustrated on page 409, in 1946 eighteen states utilized local property taxes to assist in financing public welfare administration; the portion of local contributions ranged from 5 to 25 per cent of total expenditures. This does not necessarily mean that the general property tax was the only source of these local funds. For example, New York and Wisconsin have a system of shared taxes. That is, certain taxes collected by the states are shared with the localities. Part of these are used to help pay the local costs of public assistance.

The property tax has been criticized because it correlates badly with income from property, because it is a burden upon shelter, and because the tax is regressive — that is, it is not graduated in accordance with ability to pay.⁶ Nevertheless it is the main source of local revenues and if local financial support is required for public assistance it must come to a large extent from this tax.

Excise taxes are internal or domestic taxes on consumption. Customs duties are imposed on the entry of certain commodities into a given jurisdiction. In recent years numerous other taxes have been called excises so that there is no longer a generally accepted meaning of the term. For example, taxes on cigarettes, cigars, alcoholic beverages, and general sales taxes are often called excises. The general sales tax is now the most important excise tax in raising public welfare revenues. This tax is very old, having been used in ancient Egypt, Greece, and Rome, and was revived as an emergency source of revenue (primarily to finance emergency relief) in the states during the depression. It is now a permanent part of our taxation system and is particularly important in public assistance. Six states (Arkansas, Colorado, Iowa, Kansas, North Dakota, and Utah⁷) have attempted to make the general sales tax less objectionable by dedicat-

⁵ Harold M. Groves, *Financing Government* (New York: Holt, 1945), pp. 54-74.

⁶ *Ibid.*, pp. 66-71.

⁷ *Characteristics of State Plans: Old-Age Assistance, Aid to the Blind, Aid to Dependent Children* (Washington: Government Printing Office, 1946).

**PERCENTAGE OF LOCAL FUNDS SPENT FOR PUBLIC
ASSISTANCE IN STATES WITH LOCAL FINANCIAL
PARTICIPATION, 1946¹**

STATE	PERCENTAGE CONTRIBUTION		
	FEDERAL FUNDS	STATE FUNDS	LOCAL FUNDS
Alabama	50	25	25
California	50	41 $\frac{3}{4}$	8 $\frac{1}{4}$
Georgia	50	45	5
Indiana	50	30	20
Kansas	*	*	*
Maryland	50	33 $\frac{1}{2}$	16 $\frac{1}{2}$
Massachusetts	50	33 $\frac{1}{2}$	16 $\frac{1}{2}$
Nevada	50	25	25
New York	50	25	25
New Jersey	50	37 $\frac{1}{2}$	12 $\frac{1}{2}$
North Carolina	50	25	25
North Dakota	50	42 $\frac{1}{2}$	7 $\frac{1}{2}$
Montana	50	33 $\frac{1}{2}$	16 $\frac{1}{2}$
Tennessee	50	37 $\frac{1}{2}$	12 $\frac{1}{2}$
Utah	50	35	15
Virginia	50	31 $\frac{1}{2}$	18 $\frac{1}{2}$
Wisconsin	50	30	20
Wyoming	50	25	25

* After federal contribution was deducted the state paid 30 per cent of assistance. In addition the state paid to the county treasurers \$150,000 per month for the special categorical fund (old-age assistance, aid to dependent children, and aid to the blind).

ing a portion of its revenues to the payment of old-age assistance. Many other states use this tax to finance public assistance, but do not dedicate the tax to this purpose. The sales tax has been criticized because it is regressive and hence unjust to the wage earner. But it has several great virtues, particularly its capacity to raise revenue even in periods of depression, and its relative administrative simplicity. Hence it is not surprising that many states, hard pressed to invent new sources of revenue, have adopted it.²

In addition to the general sales tax, luxury and amusement taxes and excises on the sale of tobacco, liquor, cosmetics, theater tickets, radios, and many other commodities, are used in states to raise revenue for public assistance. The gross income tax of Indiana is an excise tax as is the tax on meals costing one dollar or more in Massachusetts which is used to help pay old-age assistance benefits. Other

¹ Social Security Administration.

² Jens P. Jensen, *Government Finance* (New York: Crowell, 1937), pp. 374-80.

examples are the taxes on dog and horse racing in Florida which go into a special old-age assistance fund.

The income tax has become an important means of financing public welfare by the state and federal governments. This tax, as a regular feature of our tax system, is a recent development. During the Civil War the federal government resorted to an income tax as an emergency measure. An attempt was made in 1894 to reintroduce the income tax, but this act was declared unconstitutional and it was not until 1913 that an amendment to the Constitution was adopted which made the tax a regular feature of the federal tax system. Some of the states already had income taxes but most did not adopt the tax until after this period. At the present time more than two-thirds of all the states have taxes on the incomes of individuals or corporations or both.

The income tax is probably the best accepted of all taxes. Many economists believe that the progressive features of the income tax (graduation of the amount of the tax in accordance with the increase in the amount of income) make it an excellent tax. Under ideal circumstances it must be admitted that a progressively graduated income tax is based upon ability to pay. There are, however, certain factors which should be noted in respect to state income taxes. In the first place, they are secondary to the federal income tax. As such, they cannot be used to secure as much revenue for the state as they might otherwise produce. This has led some states to tax lower incomes at a relatively high rate thus negating some of the progressive features of the tax. It has also led other states to become overenthusiastic about corporation income taxes to the point where there may be positive discouragement to capital.

In the second place, income tax exemptions and credits for dependents must be allowed to those with families to support. This must be done in order to protect the standard of living, to retain a progressive base for the tax, and to avoid the administrative inconvenience of extending the tax to numerous additional wage earners. These exemptions limit the amount that can be collected by state income taxes.

In the third place, the income tax presents numerous administrative difficulties. The state must not only decide what income can be taxed within its jurisdiction, but must set up machinery for the collection of the tax. The larger the number of taxpayers the greater are the difficulties of collection, particularly when the majority of taxpayers pay the tax only on their wages.

In the fourth place, the income tax is not a steady and consistent

revenue producer. It is a fair weather tax, producing a large volume of revenue in good times and a relatively small volume in bad times. In this respect it is not a good tax for relief purposes whereas the sales tax (a regressive, not a progressive tax) is a much better tax for relief.

Despite these criticisms it is obvious that the states must use the income tax for public welfare revenue. States and their subdivisions spend, in normal times, about two-thirds of the public dollar. As Professor Groves has noted it is widely accepted "on theoretical grounds alone that the income tax should be the most important tax" in our system because "it represents the most rational means of taxation in a modern capitalistic state."¹⁰ The income tax comes nearest to being a self-liquidating tax. It falls upon those who have the ability to pay. Hence the income tax, while it may not be the only source of revenue for public welfare in the states, will always be a major source of tax funds.

PUBLIC ASSISTANCE ACCOUNTING

As we have pointed out on numerous occasions the expenditure of large sums of money is required in public welfare. Every administrator of a public welfare program has responsibility for the effective utilization of public funds. These expenditures are measurable, and therefore accounting can be developed as a means of public social work control.

As C. Rufus Rorem has noted the accountant begins with the assumption that for every item of property there is a proprietor. The accountant classifies the effects of each transaction upon the owner's assets. At the end of a stated period (usually a month or a year) he summarizes these transactions into a statement of income and expense during the period. Accounting records are, in the final analysis, records of human relationships expressed in financial terms. Thus accounting is not something apart from public welfare; it is merely the expression of the financial value of public welfare. Money value is not the only, or even the best, expression of human value, but it is one which is always used in a state or local department of public welfare. Accordingly a knowledge of the principles of accounting are essential for the public welfare administrator. It must be emphasized, however, that accounts are subordinate to professional services and that the accountant is subordinate to the administrator.¹¹

¹⁰ Groves, *op. cit.*, p. 217.

¹¹ C. Rufus Rorem, "Social Work Accounting—Tool or Torment?" *Proceedings of the National Conference of Social Work*, 1937, pp. 645-47.

Accounting in a public welfare agency, while it utilizes principles common to all types of accounting, is a specialized form. In addition to the public assistance programs, a state agency may administer hospitals, prisons, correctional schools, and mental hygiene institutions. The measurement of the results of all these services must be undertaken in different terms. Child welfare may be socially more constructive than other work, such as the administration of a prison. Also some services may be more expensive on a unit cost basis than other services, particularly because of the expense of professional service. A case worker in a psychiatric clinic handles fewer cases than a public assistance worker; hence the costs per case in the first instance are higher than in the second.

There are unique problems in the classification of public welfare accounts. The accounts of various institutions and services may differ in detail. For example, the accounts of a hospital for the mentally ill and a correctional school for boys would differ in detail, but the accounts of all institutions should be identical in form.

Public welfare programs can use either accrual accounting or cash accounting. Generally speaking cash accounting is less desirable because under this system certain supplies may be purchased in March, but the warrant for the invoice not drawn until June. Nevertheless the expenditure would be recorded as June. Under accrual accounting the account would be debited in March, the time when the expense is incurred. In other words, cash accounting charges the expenditures to the month when it is paid, accrual accounting to the month when the expense is incurred.

The use of cash accounting in public welfare does not permit adequate comparison of financial data from program to program. This is especially true in regard to administrative expenses which are those expenses not allocated to any one division but incurred for services auxiliary to all divisions. In manufacturing, the expenses are usually classified as production, distribution, and general or administrative. Cost accountants, however, usually distinguish between general and administrative expense and other types of expenses. Joel Gordon, in analyzing the administrative expenses of public assistance agencies found that numerous misconceptions were prevalent.¹¹ These misconceptions were often due to the fact that expenditures were not uniformly classified.

Gordon found that salaries of physicians employed by public assistance agencies to furnish medical service to needy people were often

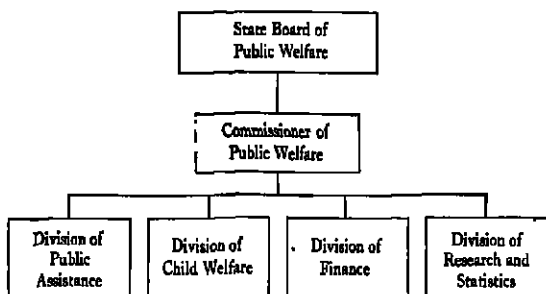
¹¹ Joel Gordon, "Analyzing the Administrative Expenses of Public Assistance Agencies," *Social Security Bulletin*, Vol. 2, No. 5 (May, 1939), pp. 10-14,

classified as an administrative expense when it was obviously a form of assistance to recipients. Likewise he found that the expense of certifying eligible people to the Work Projects Administration, the Civilian Conservation Corps, and the Farm Security Administration was usually classified as administrative expense. In other words there has been a general practice of lumping expenses other than assistance payments together as administrative. To have a more adequate appreciation of the costs of administration and the ratio of administrative expense to assistance payments we have to develop better definitions of *administration*, *service*, and *assistance payments*.¹³ In this respect the cost accountant can be very helpful.

ORGANIZATION OF A DIVISION OF FINANCE

An administrative organization is necessary in order for the accountants and auditors to carry out their proper functions in a public welfare agency. A division of finance is the organization which is usually established for this purpose. In a typical state department of public welfare it is a service organization, comparable to a division of research and statistics. Unlike the operating organizations (such as the divisions of public assistance and child welfare) the division of finance does not administer a program, but is an organization to assist in the administration of the services administered by the operating division. The following table illustrates this relationship.

Divisional Organization of a Hypothetical State Department
of Public Welfare



¹³ Anne E. Geddes and Joel Gordon, "The Concept of Administrative Expenses in Accounting for Public Assistance Expenditures," *Social Security Bulletin*, Vol. 2, No. 7 (July, 1939), pp. 27-31.

The division of finance has a director or chief accountant as its administrative officer. Under his supervision there is a staff of accountants and auditors. The size of the staff is dependent upon the size and scope of the state's public welfare program and the responsibility given by statute to the local units. If the program is a state administered one all the accounting work is usually centralized in the state office. The money for assistance payments, services, and salaries is kept in a bank in the capital and all checks are written in the state office. If the program is administered in the counties and supervised by the state the money for assistance payments is kept in banks in the counties and the checks are written in the county welfare office. This means that the state division of finance must have auditors who go into the localities to audit the books of the local agencies.

A good plan of fiscal control was worked out for old-age assistance in Illinois in 1937 and 1938. This plan has been described by John C. Weigel and Fletcher C. Kettle.¹⁴ It covered the following points:

- I. Administrative Organization of the Division of Old-Age Assistance.
 - A. State Division
 - B. County Departments
- II. Registration of Applicants in County Departments.
- III. Receipt and Registration of Application Records in the State Division.
- IV. Review and Certification of Approval of Application Records.
- V. Control of Assistance Payments and Flow of Operations.
 - A. Fiscal Control Clerk
 - B. Receiving Clerk
 - C. Control Unit
 1. Description of International Business Machine Card Form
 2. Changes of Status
 - a. Cancellation of Award
 - b. Supervision of Award
 - c. Changes of Award
 3. Transfers to Other Counties
 4. Pre-audit and Control of Payments
 - D. Preparation of Regular Recipient Roll
 - E. Summarizing, Scheduling, and Routing of Recipient Rolls

¹⁴ John C. Weigel and Fletcher C. Kettle, *The Illinois Plan of Fiscal Control in the Division of Old-Age Assistance* (Springfield: Illinois State Department of Public Welfare, no date). See also John C. Weigel, *A Manual of Business Methods for the Institutions and Divisions of the Department of Public Welfare* (Springfield: Illinois State Department of Public Welfare, 1941).

- F. Preparation of Supplementary Recipient Rolls
 - 1. New Grants and Reinstatements
 - 2. Resumed Payments
 - 3. Changes of Award
 - 4. Transfers from Other Counties
- G. Certificates of Award and Changes on Status Forms
- H. Recapitulation of Monthly Changes
- I. Recording of Assistance Payments on Individual Ledger Cards
- VI. Preparation and Payment of Assistance Warrants.
 - A. Warrant Writing
 - B. The Recording and Filing of Paid Warrants
- VII. Non-Receipt of Warrants.
 - A. Warrants Returned Due to Incorrect Address
 - 1. Cook County
 - 2. Other Counties
 - B. Warrants Returned for Cancellation
 - 1. Cook County
 - 2. Other Counties
 - C. Lost or Stolen Warrants
- VIII. Refunds and Recoveries.
 - A. Method of Collection
 - B. Recording Collections
- IX. Control of Administrative Expense; Other Records.
 - A. Method of Payment
 - 1. Central Office and Field Staff
 - 2. County Departments
 - B. Recording
 - 1. Division of Old-Age Assistance
 - a. List of Accounts
 - b. Explanation of Accounts
 - 2. State Auditor and State Treasurer
 - C. Non-Expendable Property
 - D. Distribution of Equipment, Supplies, and Postage
- X. Financial Reports.
 - A. Monthly Report of Funds and Recoveries to Department of Finance
 - B. Monthly Report of Expenditures of Department of Finance
 - C. Monthly Report to State Auditor
 - D. Quarterly Report to the Governor

From the outline of this plan it is self-evident that accounting and finance are important functions of a state department of public welfare. The scope of accounting in public welfare may also be seen from the classification of accounts. The following chart of accounts was prepared by the Chief Accountant of the Division of Public Assist-

ance of the Wisconsin State Department of Public Welfare on April 20, 1948:

CHART OF ACCOUNTS

ACCOUNT NUMBER	ACCOUNT NAME
	<i>1. Assets</i>
11	Funds Unreleased
111	State Appropriations Unreleased
1111	Aid to the Blind
1112	Old-Age Assistance
1113	Aid to Dependent Children
1114	Financial Aid to Distressed Counties — General Relief
1115	Student Loans
1116	Financial Aid to Distressed Counties — Social Security Aids and Aid to Totally and Permanently Disabled Persons
1117	County Administration — Social Security Aids and Related Welfare Services
1118	Aid to Totally and Permanently Disabled Persons
112	Federal Cash Unreleased
1121	Aid to the Blind
1122	Old-Age Assistance
1123	Aid to Dependent Children
1125	County Administration — Aid to the Blind
1126	County Administration — Old-Age Assistance
1127	County Administration — Aid to Dependent Children
12	Allotments Unexpended
121	State Allotments Unexpended
1211	Aid to the Blind
1212	Old-Age Assistance
1212-1	Old-Age Assistance — Prorated Payments
1213	Aid to Dependent Children
1214	General Relief
1214-1	Financial Aid to Distressed Counties — General Relief
1214-6	State Dependents
1215	Student Loans
1216	Financial Aid to Distressed Counties — Social Security Aids and Aid to Totally and Permanently Disabled Persons
1217	County Administration — Social Security Aids and Related Welfare Services
1217-1	County Administration — Aid to the Blind
1217-2	County Administration — Old-Age Assistance

ACCOUNT NUMBER	ACCOUNT NAME
1217-3	County Administration — Aid to Dependent Children
1217-4	County Administration — Related Welfare Services
1218	Aid to Totally and Permanently Disabled Persons
122	Federal Allotments Unexpended
1221	Aid to the Blind
1222	Old-Age Assistance
1223	Aid to Dependent Children
1225	County Administration — Aid to the Blind
1226	County Administration — Old-Age Assistance
1227	County Administration — Aid to Dependent Children
13	Miscellaneous Assets
131	Receivables
1315	Notes Receivable — Student Loans
<i>3. Proprietorship</i>	
31	Funds Provided
311	State Appropriations
3111	Aid to the Blind
3112	Old-Age Assistance
3112-1	Old-Age Assistance — Prorated Payments
3113	Aid to Dependent Children
3114	General Relief
3114-4	Financial Aid to Distressed Counties — General Relief
3114-6	State Dependents
3115	Student Loans
3116	Financial Aid to Distressed Counties — Social Security Aids and Aid to Totally and Permanently Disabled Persons
3117	County Administration — Social Security Aids and Related Welfare Services
3118	Aid to Totally and Permanently Disabled Persons
312	Federal Advances
3121	Aid to the Blind
3122	Old-Age Assistance
3123	Aid to Dependent Children
3125	County Administration — Aid to the Blind
3126	County Administration — Old-Age Assistance
3127	County Administration — Aid to Dependent Children

ACCOUNT NUMBER	ACCOUNT NAME
32	Funds Expended
321	Expended State Appropriations
3211	Aid to the Blind
3212	Old-Age Assistance
3212-1	Old-Age Assistance — Prorated Payments
3213	Aid to Dependent Children
3214	General Relief
3214-1	Financial Aid to Distressed Counties — General Relief
3214-6	State Dependents
3216	Financial Aid to Distressed Counties — Social Security Aids and Aid to Totally and Permanently Disabled Persons
3217	County Administration — Social Security Aids and Related Welfare Services
3217-1	County Administration — Aid to the Blind
3217-2	County Administration — Old-Age Assistance
3217-3	County Administration — Aid to Dependent Children
3217-4	County Administration — Related Welfare Services
3218	Aid to Totally and Permanently Disabled Persons
322	Expended Federal Advances
3221	Aid to the Blind
3222	Old-Age Assistance
3223	Aid to Dependent Children
3225	County Administration — Aid to the Blind
3226	County Administration — Old-Age Assistance
3227	County Administration — Aid to Dependent Children
33	Fund Deficiencies
331	State Deficiency
3311	Aid to the Blind
3312	Old-Age Assistance
3313	Aid to Dependent Children
3314	Aid to Totally and Permanently Disabled Persons
3315	County Administration — Social Security Aids and Related Welfare Services
332	Deficiency Due Counties
3321	Aid to the Blind
3322	Old-Age Assistance
3323	Aid to Dependent Children
3324	Aid to Totally and Permanently Disabled Persons

ACCOUNT NUMBER	ACCOUNT NAME
3325	County Administration — Social Security Aids and Related Welfare Services
34	Suspense Accounts
341	Student Loan Adjustments
3411	Interest Earned — Student Loans
3412	Bad Debt Losses — Student Loans
<i>4. Contributions and Contribution Adjustments</i>	
41	Contributions
411	State Contribution
4111	Aid to the Blind
4112	Old-Age Assistance
4113	Aid to Dependent Children
4114	Aid to Totally and Permanently Disabled Persons
4115	County Administration — Social Security Aids and Related Welfare Services
4115-1	County Administration — Aid to the Blind
4115-2	County Administration — Old-Age Assistance
4115-3	County Administration — Aid to Dependent Children
4115-4	County Administration — Related Welfare Services
4119	General Relief
4119-1	Local Share — Social Security Aids and Aid to Totally and Permanently Disabled Persons
412	Federal Contribution
4121	Aid to the Blind
4122	Old-Age Assistance
4123	Aid to Dependent Children
4125	County Administration — Aid to the Blind
4126	County Administration — Old-Age Assistance
4127	County Administration — Aid to Dependent Children
413	Local Contribution
4131	Aid to the Blind
4132	Old-Age Assistance
4133	Aid to Dependent Children
4134	Aid to Totally and Permanently Disabled Persons
4135	County Administration — Aid to the Blind
4136	County Administration — Old-Age Assistance
4137	County Administration — Aid to Dependent Children
4138	County Administration — Related Welfare Services

ACCOUNT NUMBER	ACCOUNT NAME
4139	Local Administration — General Relief
4139-1	Local Administration — All Other
42	Contribution Adjustments
421	State Contribution Adjustments
4211	State Contribution Adjustment — Old-Age Assistance Recoveries
422	Federal Contribution Adjustments
4221	Federal Contribution Adjustments — Old-Age Recoveries
423	Local Contribution Adjustments
4231	Local Contribution Adjustments — Old-Age Recoveries
4232	Local Contribution Adjustments — State Aid to Counties — Social Security Aids and Aid to Totally and Permanently Disabled Persons
4233	Local Contribution Adjustments — State Dependents

5. Expenditures and Expenditure Adjustments

51	Expenditures Chargeable to Clients
511	Direct Money Payments
5111	Aid to the Blind
5112	Old-Age Assistance
5113	Aid to Dependent Children
5113-1	Aid to Dependent Children — Foster Home Payments
5114	Cash Relief
5115	Aid to Totally and Permanently Disabled Persons
512	Kind Payments — Social Security Aids and Aid to Totally and Permanently Disabled Persons
5121	Medical — Aid to the Blind
5122	Medical — Old-Age Assistance
5123	Medical — Aid to Dependent Children
5124	Burial — Old-Age Assistance
5125	Burial — Aid to the Blind
5126	Burial — Aid to Dependent Children
5127	Medical and Burial — Aid to Totally and Permanently Disabled Persons
5128	Other Payments — Aid to Totally and Permanently Disabled Persons
513	Kind Payments — General Relief
5131	Kind Payments — General Relief
5132	Medical — General Relief
5133	Hospitalization — General Relief

ACCOUNT NUMBER	ACCOUNT NAME
5134	Burial — General Relief
52	Expenditures Not Chargeable to Clients
521	Service to Counties
5211	Special Projects
522	Services by Counties
5221	County Administration — Aid to the Blind
5222	County Administration — Old-Age Assistance
5223	County Administration — Aid to Dependent Children
5224	County Administration — Related Welfare Services
5225	County Administration — General Relief
5225-1	County Administration — All Other
5226	Special Programs
53	Expenditure Adjustments
531	Federal Adjustments (Memo only)
5311	Aid to Dependent Children — Payments in Excess of Federal Maximums or to Persons Ineligible because of Age or School Status
5313	Aid to the Blind — Payments in Excess of Federal Maximum
532	Audit Adjustments
5321	Aid to the Blind
5322	Old-Age Assistance
5323	Aid to Dependent Children
5324	Aid to Totally and Permanently Disabled Persons
533	Ineligible Payments
5331	Aid to the Blind
5332	Old-Age Assistance
5333	Aid to Dependent Children
5334	Aid to Totally and Permanently Disabled Persons
534	Recoveries
5341	Recoveries from Old-Age Assistance Beneficiaries

What should be the qualifications of accountants employed in departments of public welfare? They must, of course, be trained and experienced in general accounting work. In addition many observers have pointed out that it takes a considerable period of time for a qualified accountant to become a specialist in public welfare accounting.²⁸ Joseph Bires in an interview with the author in 1948

²⁸ For a discussion of this general problem see Karl de Schweinitz, *People and Process in Social Security* (Washington: American Council on Education, 1948).

mentioned this point, estimating that approximately two years of experience in a public welfare agency is required to become skilled in this type of accounting. He emphasized the special problems in public assistance; particularly the laws, rules, and regulations that must be understood by the accountant. Also he pointed out that the accountant in public assistance must know the administrative details of the organization in which he is working and must be in sympathy with the aims of the program.

Listed below is the civil service description of the position of Accountant I in the Wisconsin state service:

Characteristic Work of the Class 2-15-48

Nature: Under immediate supervision, to do work of ordinary professional difficulty and responsibility in keeping accounting records, auditing books of account, and examining tax returns; and to perform related work as required.

Examples: Reconciles bank statements in field or office, under the supervision of an accountant of higher grade; verifies entries made in accounting records; prepares trial balances; verifies cash balances; performs assigned tasks in the examination of a savings and loan association; examines income tax returns; keeps all of the operating accounts of a small state department; posts accounting data to books of original entry and to ledger accounts from subsidiary records and papers, and supervises a small group of clerical assistants on such work; prepares operating statements; audits routine allocations and disbursements, and is in charge of taking and reconciling physical inventories.

Qualifications

Essential Knowledge and Abilities: Considerable knowledge of modern accounting theory and practice; working knowledge of modern office practices and procedures and skill in their application; working knowledge of the principles and procedures of governmental appropriations and budgets; ability to understand and follow complex written and oral instructions; ability to establish and maintain effective working relationships with other employees, officers, and the public; ability to lay out work for others and to get results from their efforts; ability to prepare neat and accurate accounting statements and reports; mental alertness; and accuracy.

Desirable Training and Experience: Graduation from a university of recognized standing with major courses in accounting.

The description of the next position, Accountant II, is similar except that examples of work performed state that Accountant II "reviews complex tax returns . . ." and "makes special accounting investigations." The description also specifies that "two years of experience in professional accounting work" is required. Accountant

IV, the top position in public assistance accounting, "plans, directs, and coordinates the activities of a major accounting program of wide scope . . ."

Accountants play an important role in public welfare administration. Unfortunately their role has been underemphasized. One reason is that many divisions of finance have been concerned almost exclusively with elementary bookkeeping, thus cost accounting is an almost unexplored subject in public welfare. Another reason is the suspicion that many social workers have had for accountants and vice versa. This has been unfortunate and the barrier between accountants and social workers must be broken down if there is to be progress.

The maturity of public welfare administration indicates that a smoother relationship is developing between accountants and social workers. They now have a greater respect for one another and it is expected that in the future business management will receive greater emphasis.

Selected Bibliography

Alfred G. Buchler, *Public Finance* (New York: McGraw-Hill, 1940).

Karl de Schweinitz, *People and Process in Social Security* (Washington: American Council on Education, 1948).

Harold M. Groves, *Financing Government* (New York: Holt, 1945).

Jens P. Jensen, *Government Finance* (New York: Crowell, 1937).

John C. Weigel, *A Manual of Business Methods for the Institutions and Divisions of the Department of Public Welfare* (Springfield: Illinois State Department of Public Welfare, 1941).

— and Fletcher C. Kettle, *The Illinois Plan of Fiscal Control in the Division of Old-Age Assistance* (Springfield: Illinois State Department of Public Welfare, no date).

21. Research and Reporting

NEED FOR RESEARCH IN PUBLIC WELFARE

Public social workers, as applied social scientists, are committed to the belief that the problems they confront in their professional work can be solved by the application of disciplined analysis. However, it is important to recognize, as Professor George A. Lundberg has observed, that the extent to which the scientific approach has penetrated the realm of social science has been greatly exaggerated.¹ Nevertheless the scientific method with its emphasis upon systematic observation, verification, classification, and interpretation is of primary importance in applied social science.

Social work has been hesitant to employ the scientific method. As a result of this cultural lag (to borrow a term from the sociologists) professional practice does not have the theoretical basis it deserves and research methodology has not been sharply defined. There are numerous bits of evidence, particularly in our public welfare programs, which point to the lack of emphasis upon the scientific method.

Some persons have believed that social case work, with its emphasis upon investigation, diagnosis, and treatment, should stimulate a research-minded attitude among social workers. There is some indication that this was true in an earlier day when Mary E. Richmond's great study, *Social Diagnosis*,² guided most practice in social case work. Later the emphasis changed from the sociological and social-scientific approach to a more flexible approach based primarily upon the psychology of Dr. Sigmund Freud³ and his psychoanalytic scheme of thought. More recently social case work has been gradually directing itself toward a somewhat more systematic methodology.

This change enabled Helen L. Witmer to present a significant paper

¹ George A. Lundberg, *Social Research: A Study in Methods of Gathering Data* (New York: Longmans, Green, 1942), pp. 1-44.

² New York: Russell Sage Foundation, 1917.

³ For a general but not rigorously scientific critique of Freudian psychology see Emil Ludwig, *Doctor Freud* (New York: Hellman, Williams, 1947). For an explanation of social case work in the early days of the Freudian era see Virginia P. Robinson, *A Changing Psychology in Social Case Work* (Chapel Hill: University of North Carolina Press, 1934).

on "Some Underlying Principles of Research in Social Case Work"⁴ at the National Conference of Social Work in 1942. Miss Witmer emphasized that the problem before case workers "is how to move from (the) area of common-sense investigations of individual case situations to one in which wider generalizations can be made." What is needed, she pointed out, is the development of a body of concepts, painstakingly accumulated by means of individual cases, upon which a body of general principles of case work practice can be based. The general acceptance of such a point of view will obviously accelerate the development of research-mindedness in social work.

Our large public social work programs have been important in the reawakening of research. Research, as applied to public welfare administration, is an organized means of answering questions. Such a definition demands more than reading and study; it also requires analysis. In order to secure the proper answers to questions through scientific analysis there has been developed in public welfare a corps of specialists in research and statistics. There has been some criticism of the "great hordes of bureaucratic fact-finders" who are supposedly maintained in palatial splendor at public expense merely to give laborious explanations of simple facts. Research is often considered a luxury item, but upon more sober reflection it is usually admitted that a factually orientated, businesslike administration is required in public welfare.

STATISTICAL REPORTING

Statistical reporting is the major function of a division of research and statistics in a federal, state, or local department of public welfare. Statistical data often originates in a county department of public welfare. The clients who live in local communities, apply for aid at the county department, and have their only personal contacts with public welfare employees in this office. Few of these local agencies employ statisticians and the reliability of the data from the counties is dependent upon instructions from the state office, the intelligence and interest of local staff members, and occasional visits from state statisticians.

Statistics on the number of cases and the amounts of the grants are secured as a by-product of check writing. Statistics on reasons for closing cases, number of interviews made, and reinvestigations completed must be reported by the workers in the county. These re-

⁴ Published in the *Proceedings of the National Conference of Social Work* 1942, pp. 563-73.

ports are not accurate unless the local workers (1) understand why these data are needed, (2) have an appreciation of the importance of social statistics in public welfare administration, and (3) have clear and complete instructions from the state department.

An illustration may serve to explain why reports from the county departments are sometimes inaccurate. State departments often require reports from case workers in the counties on the number of interviews of various types (those held in the office, those held in the field, those with the client, and those with "collaterals"). These reports are required as part of the data on which the state bases its request for federal contributions for administrative expenses. The federal government pays half of the administrative costs for the three categorical aids, but the states administer other programs (such as general assistance) for which federal funds are not available. Time studies are made to establish the amount of time spent by workers on each program and the number of interviews for various programs is used to determine the current distribution of administrative effort on the various programs. In one state a worker once reported having had sixty-four interviews in the office on one day. Upon investigation the state statistician found that the worker handed sixty-four checks to assistance recipients on that date. It was also found that the local workers in the county thought that the reports on the number of interviews were used as a production index to measure efficiency. The state office, therefore, was at fault in not explaining the use to which these data were to be put and in not formulating a simple definition of an interview.

This example also illustrates that the basic problems in statistical reporting in public welfare are those of definition and not those concerned with the use of refined statistical measurements. Simple, concise definitions must be made for *cases*, *clients*, *grants*, *interviews*, and all other items that are to be counted. For examples: A wife's grant for old-age assistance is included in her husband's grant. Should this be counted as one or two cases? ⁵ What is meant by "major service cases" and "minor service cases" in child welfare?

If the definitions are not simple and concise and if they are not uniformly applied we will not have comparable data from jurisdiction to jurisdiction. Some states, for example, require that the eligible aged blind must be placed on the aid to the blind rolls. Other states

⁵ This has been called the problem of the "submerged spouse." The eligible individual is the statistical unit for old-age assistance. Some state departments, in order to correct this error, have issued rules stating that each eligible individual must receive a check.

permit this class of person to make his choice of aid to the blind or old-age assistance. Thus the statistics of aid to the blind are not comparable from state to state and cannot be related to the number of blind persons in the states. Furthermore the states do not use a uniform definition of blindness. Most states define blindness strictly in terms of visual acuity. Other states, however, define blindness in socio-economic terms: "loss or impairment of eyesight to the extent that the applicant is unable to provide himself with the necessities of life."

Juvenile court statistics have also been used as examples of non-comparable data. Juvenile delinquency is usually defined in accordance with the number of children who are committed to institutions or placed on probation by juvenile courts. The laws of the various states differ in this respect. In many states almost any normal boy could be considered delinquent by a juvenile court judge. How many boys have not, at one time or another, "loitered in or near a billiard parlor"? Also the judges themselves differ as to how many children they wish to place on probation. One judge may give a stern reprimand to the boy who loiters in a pool hall, another judge may place him on probation. Juvenile court statistics, therefore, are not comparable from jurisdiction to jurisdiction.

TABULATION AND PUBLICATION OF SOCIAL STATISTICS

As a general rule only those statistics that are essential for the efficient operation of the program should be collected and all those that are collected should be tabulated and published. It is obvious, however, that this general rule cannot always be followed. Occasionally there may not be sufficient funds available to tabulate all the statistics collected. Occasionally, the state director may decide not to publish certain statistics even though they may be important.

The general public is particularly interested in the volume of cases and the amount of money spent. The staff is particularly interested in administrative policy and comparative data on counties and states. More detailed tabulations, therefore, may be required for the use of the staff. Most of the statistical data in public welfare is published by the federal or state governments. The Social Security Administration publishes detailed statistical data on the state programs in the monthly *Social Security Bulletin*.⁴ Most of the state departments of public welfare publish monthly statistical releases giving compara-

⁴ Subscription cost \$2 per year from the Superintendent of Documents, Government Printing Office, Washington 25, D.C.

tive data on the counties. Local agencies (except those in the large cities) do not have the staff or the volume of work ¹ to warrant such publications.

ADMINISTRATIVE AND LONG-RANGE RESEARCH

The divisions of research and statistics also undertake research projects which may be classified as administrative and long-range. Administrative research is concerned with problems that are regarded as being of a lower order by the social science research purist. Such a description, however, is usually the result of a failure to comprehend the relation of sound fact-finding to administrative process.

In a public welfare agency administrative officers are constantly demanding the facts regarding current administrative problems. These are some of the questions asked: How much money would it cost the state to change from a budget-deficit method to a flat grant-less-income method in the administration of old-age assistance? What are the characteristics of the children receiving aid to dependent children grants? What are the causes of blindness among the recipients of aid to the blind? What are the medical problems of the recipients of old-age assistance? What would be the results of the elimination of residence requirements for the receipt of old-age assistance?

When the state director turns to the director of research and statistics for the answers to these and other queries he is using research as a tool in administration. Obviously the research specialist welcomes such queries from the state director and is eager to discover the facts. He does not consider this type of research to be a lower order of professional activity.

The following list, compiled by the Workshop on Social Research sponsored by the School of Applied Social Sciences of Western Reserve University, illustrates important areas for administrative research:

1. Expenditures of money.
 - (a) For different purposes by the agency
 - (b) By cases, groups, or other units of different kinds in different geographical locations, *i.e.*, districts or governmental subdivisions

¹ The states not only have specially trained staffs for statistical tabulation, but most of them also have punching and tabulating machines. These machines are rented (the majority of them from the International Business Machines Corporation) at a cost that would be prohibitive to most county departments of public welfare.

- (c) In relation to economic and social factors in the community
- (d) As shown in various forms for different years or other periods of time and related to geographical area
- 2. Form and procedure in financial records.
- 3. Service accounting.
 - (a) Definition of the unit of count, *e.g.*, in family case work, foster home placement, old-age assistance, etc.
 - (b) Definition of the unit of count in group work, *e.g.*, membership, attendance, participation, etc.
 - (c) The unduplicated count of cases or group participants
 - (d) Activities of a council of social agencies
 - (e) As shown in various forms for different years or other periods of time and related to geographical area
- 4. Personnel.
 - (a) Labor-management relations, including conditions of employment
 - (b) Proportions of employees needed in different kinds and sizes of agencies
 - (c) Staff turnover as per cent of total employed or per 100 cases
 - (d) Optimum case loads for different types of cases
- 5. Measurement of kind and extent of need.
 - (a) Economic
 - (b) Case work services, noneconomic
 - (c) Group work and recreation
 - (d) Institutional service
- 6. Problems related to execution of policy.
 - (a) Measurement of the effectiveness of a policy
 - (b) Estimating the value and cost of a change of policy
- 7. Efficiency of methods of fund raising and securing appropriations.
- 8. Problems of achieving satisfactory public relations.
 - (a) How to interpret the functions of the agency
 - (b) Study of board and committee membership and activities
 - (c) Preparation of special and regular reports
 - (d) How to direct publicity directed to a specific purpose, such as fund raising or securing appropriations
 - (e) Adaptation of agency function to provide services needed⁸

Despite the importance of administrative research there is always the possibility that far too much research in public welfare will continue to be of the "hook and ladder" variety, designed to "rescue an agency from a fire, but it neither is nor should be the only kind of research done by persons in social work."⁹ Studies of an emergency

⁸ *Research in Social Work*, A Report of the Workshop on Research in Social Work (Published jointly by the School of Applied Social Sciences of Western Reserve University and the American Association of Social Workers, 1947), pp. 7-8.

⁹ *Ibid.*, p. 6.

nature have to be done to get an agency through a crisis, but research should also be done on basic problems. Basic research has been defined by the group mentioned above as fact-finding "which would be concerned with and testing the effectiveness of technical social work methods and the validity of social work theory."¹⁰

It must be admitted that relatively little attention has been given to basic research. Nevertheless some of the studies that have been directed toward administrative problems have focused attention upon this need. In 1928 a joint committee composed of representatives of the Association of Community Chests and Councils and the Local Community Research Committee of the University of Chicago attempted to obtain uniform measurements of social work in a community. The study¹¹ answered such questions as: How many dependent persons were there in various American communities in 1928? How many of these were children, adults, or aged persons? What kind of assistance was given to these people? How much did the relief and service given to them cost?

One of the first acts of the committee was to define social work and divide it into twenty-four functions. It had to secure the cooperation of various communities,¹² to devise a system for reporting, and finally to analyze results and make suggestions for a permanent registration of social statistics. The study was unusually successful in that a federal agency, the United States Children's Bureau, took over this responsibility. The study may have had more fundamental importance in that it assisted in the sharpening of concepts for the entire field of social work.

In 1941 a study was made to help public assistance agencies in making time studies and in analyzing the results.¹³ Time studies, as we have previously noted, had to be made by state public assistance agencies in order to claim reimbursement for administrative expenses. The Social Security Act originally specified that half of the adminis-

¹⁰ *Ibid.*

¹¹ A. W. McMillen, *Measurements in Social Work* (Chicago: University of Chicago Press, 1930).

¹² The following communities participated: Chicago, Cincinnati, Detroit, Cleveland, Minneapolis, Buffalo, New Orleans, St. Paul, Newark, Denver, Columbus, Omaha, Richmond, Grand Rapids, Des Moines, Indianapolis, St. Louis, Scranton, Wichita, Sioux City, Canton, Reading, Dayton, Akron, Springfield (Illinois), Lancaster, Harrisburg, Springfield (Ohio), and Sharon.

¹³ Joel Gordon and Byron T. Hipple Jr., *Analyzing the Use of Staff Time in Public Assistance Agencies*, Bureau Report No. 10, Bureau of Research and Statistics, Social Security Board (Washington: Government Printing Office, 1941).

trative expenses of the state programs of aid to the blind, and aid to dependent children were to be paid from federal funds. The federal share of administrative expenses for old-age assistance, however, came from the so-called "5 per cent addendum," 5 per cent of the federal grant for assistance to a state was added for administrative expenses. The state agencies also administered other programs, especially general assistance, so the actual costs of administration of these programs had to be determined. Also the employees were usually not specialists who worked on only one program. For example the usual practice is for case loads to be assigned to case workers on the basis of geographical area, not according to specialized program. That is, the county is divided into districts and a case worker assigned to each district. The case worker handles all cases in the district. Therefore it was necessary to determine what part of the worker's time was spent on the federally aided programs. Time studies were introduced to provide a factual basis for the allocation of administrative expenses.

Time studies were also used: to measure agency performance; in the planning of work programs; in the budgeting and controlling of administrative costs; and in determining the size, type, and distribution of staff. As in the study by A. W. McMillen the time studies focused attention upon some of the basic problems in social work. Some of the questions that these studies shed light on were: what is the ideal case load for a case worker? Should social service be separated from assistance and administrative expenses in cost accounting? Should administrative expenses be set by the legislature as a percentage of assistance payments? These questions, in turn, led to consideration of some of the basic issues in public welfare.

In general, however, it must be admitted that very little basic research has been done in public welfare. As research becomes more important as an administrative tool it will also gradually become more concerned with long-range agency planning. In turn this will lead to a consideration of basic problems. This does not mean that research in public welfare will become identical with theoretical research in the social sciences; but it does mean that a *rapprochement* between administrative research and theoretical social science research will become, in some instances, possible.

ORGANIZATION OF A DIVISION OF RESEARCH AND STATISTICS

A division of research and statistics is usually a service organization and has a structure similar to that of a division of finance. There

is not, however, general agreement regarding the qualifications of the personnel of a division of research and statistics.

The controversy over the qualifications of research and statistics personnel may be summarized by the following question: Should researchers in public welfare be trained in general social science research methods and have some experience in research in social agencies, or should they be trained in social work and have learned through work in public welfare something about research methodology?

Those who argue in favor of social science training realistically point out that there are very few trained social workers who are qualified, by experience or professional inclination, for research positions. This is especially true in public agencies where most research workers have general social science, not social work, training. It is also claimed that statistical and research methodology is similar in the social sciences and social work. Furthermore it is pointed out that the social sciences are more research-minded than social work and, therefore, may provide better training than schools of social work.

Those on the other side of the argument declare that knowledge of subject matter is at least as important as knowledge of methodology. Also some schools of social work have emphasized training in research methods and many of the best research workers in the field are graduates of these schools. Many claim that, if given some encouragement, many more persons trained in research in social work could be graduated from the schools.

Professor Philip Klein of the New York School of Social Work, Columbia University, has proposed that training for research in social work requires a new approach. He has stated that there are two new essentials, stimulation of basic research and training of suitable personnel. Training should not only be in social work, but also in the "contiguous or overlapping phase of political science, sociology, psychology, pedagogy." He has proposed that "hand-picked persons, known to be competent practitioners in their respective fields and also to have exhibited some flair for research" be specially trained on a tutorial basis in a few schools of social work.¹⁴

While the argument continues the public welfare agencies have to recruit personnel for research positions. State civil service commissions have usually given similar weights to training in the social sciences and training in social work. The following civil service

¹⁴ Philip Klein, "Methods of Research Training," in *Selected Papers Delivered at the Twenty-Ninth Annual Meeting of the American Association of Schools of Social Work, 1948* (New York: American Association of Schools of Social Work, 1948), pp. 5-10.

specification for the position of Statistician I in Wisconsin is designed for all state services. In this description social work is not mentioned, but it is considered by the state bureau of personnel as one of the social sciences.

Statistician I 2-15-48

Nature: Under immediate supervision to perform technical work involving the gathering, analyzing, and reporting of statistical data; and to perform related work as required.

Examples: Assists in performing research and making analyses, tabulations, summaries, and reports; applies statistical principles to the preparation of tabulations from raw data, prepares special tables and charts from analyses of data; analyzes and prepares material for reports, directories, bulletins, or other publications; assists in designing forms, graphs, and illustrative material; establishes codes and instructions for key punching and develops simple wiring diagrams and procedures for tabulation of punched cards; writes reports and statistical memoranda; supervises clerical employees in routine phases of statistical work; keeps records; and makes reports.

Qualifications:

Essential Knowledges and Abilities: Working knowledge of the theory and method of statistics as applied to the quantitative description and analysis of data; working knowledge of sources of statistical information, and record techniques; working knowledge of electrical tabulating machines and related equipment; ability to analyze and interpret statistical data and to present results with clarity and precision, both in written and graphic form; ability to instruct and supervise others in the performance of routine statistical clerical work; ability to use office machines and mathematical aids or tables useful in performing statistical operations.

Desirable Training and Experience: Graduation from a college or university of recognized standing with courses in the social sciences and statistics.

Statistician II, in addition, specifies that two years of experience is required and that the person "performs independent research" and "supervises assistants." Statistician III must have "three years of experience in statistical inquiry" some of which must have been in a supervisory capacity. The employee "assumes complete charge of a statistical unit and supervises employees engaged in work therein."

There are comparatively few trained social workers in research positions in public welfare agencies, although the number and proportion is growing. Most of the research workers are trained in the social sciences with no apparent damage to the service. In fact many of them have made first-rate contributions. This does not im-

ply that social workers with research interests would not do equally well. But it does imply that social-scientific research-mindedness is more important than specific professional training for the research worker.

REPORTING TO THE PUBLIC

The public welfare agency is responsible to the public for its activities. The citizens must be intelligently informed about the operations of these departments in order to elect legislators who will make wise decisions about their present and future activities. There are a number of media open to the public welfare workers for informing the public. All of these media are based upon the "clumsy vehicle of words."

The daily flow of human words staggers the imagination. Newspapers, broadcasting stations, magazines, letters, and advertising leaflets are in competition with one another for attention. In a democratic society where social evolution occurs through changes in public opinion rather than through revolutionary action, public agencies must inform the public. Many people have accused governmental agencies of becoming "propaganda factories" and as a result the Information Service of the Social Security Administration was virtually abolished in 1947. There is undoubtedly a fine line separating legitimate information from blatant propaganda, but the workers who have coverage under old-age and survivors' insurance and the recipients of old-age assistance need to be informed of some of the details of these programs. Likewise the public must be informed if it is going to help develop public policy for these agencies.¹⁵

The first requirement of public relations in public welfare is an understanding of the service by the staff. This may seem to be so elementary that it can be taken for granted; unfortunately there are many employees in agencies who are not genuinely convinced of the goals of public welfare. These employees are not good advertisements for the service. Then too, many professional social workers converse in a professional patois that is meaningless to most people. Add to this jargon the defensive attitude of some social workers which

¹⁵ For a general discussion of public relations see especially Bruce L. Smith, Harold D. Lasswell, and Ralph D. Casey, *Propaganda, Communication, and Public Opinion* (Princeton: Princeton University Press, 1946). For a discussion of the public relations of one area of social work (social case work) see Viola Paradise, *Toward Public Understanding of Case Work* (New York: Russell Sage Foundation, 1948).

is expressed by a hurried retreat to the "confidentiality of records" and the result is a generally bad press for public social work.

Helen Cody Baker and Mary Swain Routzahn who have written on public relations in social work have stated that the staff of an agency is part of the public. They have declared that "until every member of the professional and clerical staff thoroughly understands an agency's purpose, takes pride in it, and can talk about it accurately and interestingly, public relations have not even begun."¹⁶

Public relations does not stop with an alert and well informed professional and clerical staff; it merely begins there. Numerous media must be relied upon in reporting to the public. In a state department of public welfare, public relations cannot be carried out solely through the proper performance of the staff. Many aspects, such as the handling of the representatives of the press, require a professional know-how in its own right. Therefore there is often an administrative assistant in the state director's office who has charge of public relations. He is usually a newspaperman who has had some experience in public welfare work and is able to interpret the program to the public.

What are the various media used in reporting to the public? Mention should be made of the monthly publications of various state departments of public welfare. These publications, unlike the monthly *Social Security Bulletin*, which is a technical journal, are often interesting and readable. They make frequent use of pictures, pictorial charts, and feature short informative articles about the state programs. *Public Aid in Illinois*, published monthly by the Illinois Public Aid Commission and *Public Welfare in Indiana*, published monthly by the Indiana Department of Public Welfare, are excellent examples of such publications.

*Public Welfare in Indiana*¹⁷ is printed on a good grade of paper and contains twenty-eight pages. Numerous photographs and illustrations add to its general appearance. The articles are of interest to the general public and are well written and well edited. A personal atmosphere is created by the mention of the names of numerous professional workers and interested citizens in the state. In the March, 1948, issue the feature article was on institutional care for dependent

¹⁶ Helen Cody Baker and Mary Swain Routzahn, *How to Interpret Social Welfare* (New York: Russell Sage Foundation, 1947), p. 15.

¹⁷ Published by the Indiana Department of Public Welfare, 1941 S. Meridian St., Indianapolis under the editorship of Mildred Pauline Beard. It is the official publication of the department and there is no charge for subscriptions.

children, entitled "How Far Have We Come in Giving Good Care" by Joseph A. Andrew, President of the State Board of Public Welfare. Louise Griffin, Director of the Children's Division, wrote an article in the same issue on "Indiana's Child-Caring Institutions." The issue also contained articles by an institution superintendent, the state health commissioner, a case work supervisor in a private children's agency, and excerpts from the state's rules and regulations for the licensing of private child-caring institutions. The articles were informative, but short and nontechnical. Especially good use was made of photographs of children in institutions.

*Public Aid in Illinois*¹⁵ contains twenty-eight pages. The March, 1948, issue offered good wishes to Raymond M. Hilliard, formerly Illinois Public Aid Director, who was appointed Welfare Commissioner of New York City. It likewise welcomed Carl K. Schmidt, Jr., to his new position as Hilliard's successor. It featured articles on community organization and basic principles in public assistance. A two-page center spread of photographs and short biographical data was entitled, "Introducing Our Springfield District." Like the Indiana publication it is readable and informative.

Another public relations media is the annual report of the department which is often required by state law. This may be done as a true public relations function or it may be done in a perfunctory routine manner. We have all read the dull-as-dust reports of some governmental agencies, the chief purpose of which seem to be to frighten the public with page after page of fine print statistical and fiscal data. In recent years, however, some welfare departments have published excellent annual reports.

In the 1947 annual report of the Virginia State Department of Public Welfare, entitled *Your Welfare Department Reports*,¹⁶ the basic statistical and fiscal facts are given by means of pictographs. Questions about the "means of determining and granting assistance" are answered, and a number of "cases from the assistance files" are presented. There has likewise been improvement in some of the annual reports of federal agencies. The 1947 annual report of the Bureau of Prisons, called *Federal Prison, 1947*, is an example. The statistical and fiscal data have been placed in an appendix at the end of the report. The report is well written and illustrated with several photographs of prison services.

¹⁵ Published by the Illinois Public Aid Commission, 160 N. LaSalle St., Chicago, Illinois, under the editorship of Margaret Paquette. There is no charge for subscriptions.

¹⁶ Edited by Constance S. Gamble.

The greatest improvements in annual reports seem to have been made by local departments. The 1945 report of the Lake County (Indiana) Department of Public Welfare, *Which Way to Turn?* is one of the best examples. This report is generously illustrated with photographs and case stories. The report features the services of the various social agencies of the community. The annual report of the Denver Bureau of Public Welfare is also excellent. The report for 1945 tells of the services of the bureaus through pictographs.

There are numerous other public relations media. Mrs. Baker and Mrs. Routzahn speak of the various "publics" the social agencies deal with. First of all, there is the immediate agency family; board, committee, and staff. Then there are the volunteers, the clients, the cooperators, supporters, key persons, and finally the general public.²⁰ The story of the public agency, as well as that of the private agency, must be told.

This story, according to Mrs. Baker and Mrs. Routzahn, begins with the voice of the agency's telephone operator or reception clerk, and continues through "every daily human contact of the entire personnel, and never ends."²¹ Public relations are carried on through formal board meetings, radio programs, letters, and newspapers.

Public relations, therefore, consist in doing the agency job well and informing the public about it. "It is not propaganda but essential information for the people who formulate, through their elected representatives in the legislatures, basic social policies of a free society.

Selected Bibliography

Helen Cody Baker and Mary Swain Routzahn, *How to Interpret Social Welfare* (New York: Russell Sage Foundation, 1947).

George A. Lundberg, *Social Research: A Study in Methods of Gathering Social Data* (New York: Longmans, Green, 1942).

Thomas C. McCormick, *Elementary Social Statistics* (New York: McGraw-Hill, 1941).

A. W. McMillen, *Measurement in Social Work* (Chicago: University of Chicago Press, 1930).

Viola Paradise, *Toward Public Understanding of Case Work* (New York: Russell Sage Foundation, 1948).

Research in Social Work, A Report of the Workshop on Research in Social Work. (Published jointly by the School of Applied Social Sciences of Western Reserve University and the American Association of Social Workers, 1947.)

Bruce L. Smith, Harold D. Lasswell, and Ralph D. Casey, *Propaganda, Communication, and Public Opinion* (Princeton: Princeton University Press, 1946).

R. Clyde White, *Social Statistics* (New York: Harper, 1933).

²⁰ Baker and Routzahn, *op. cit.*, p. 10. ²¹ *Ibid.*, p. 26.

INDEX

- Abbott, Edith, cited, 14-15, 72
 Abbott, Grace, 214; on dependant children law, 203
 Abinger, Lord, and *Priestley v. Fowler decision*, 163
 Accident, interpretation of term, 176
 Accident insurance, in Denmark, 161; in Germany, 155, 158; in U.S., 273
 Accident prevention, 176
 Accountants, qualifications for, 421-422
 Accounting, for public assistance funds, 411-413
 Act for Erecting of Hospitals and Working Houses for the Poor, An, 29
 Act of 1531, 25, 26
 Act of 1536, 25, 26
 Act of 1597, 26
 Act for the Punishment of Sturdy Vagaboundes and Beggars, An, 26
 Act of Relief of the Poor (Penna.), 61
 Act of Settlement (1662), 29-31, 39
 Administration, 11, 323-329; by cities, 306; complexity of, 12-13; county as ideal unit, 129, 301-304; in England, prior to 1834, 38; and executive, 329; inaugurated by Elizabethan poor law, 28; nature of, 28; in private agencies, 326; public, and state legislatures, 269; recognition of, 337; in township, 129. *See also* Personnel administration and Public administration.
 Administrative control, in immiserations, need for, 84-86
 Administrative management, 323-339; elements of, 333
 Administrative research, 428
 Administrative responsibility, 114
 Administrative review, 371-373; in states, 376
 Agencies, single vs. multiple, 276. *See* Federal, Local, State agencies.
 Alabama, authority in, 120; civil service in, 343; percentage of federal, state, and local funds, 409
 Alaska, old-age assistance laws, 195, 196
 Allen, William, cited, 141
 Allotments, determining of, 271
 Almy, Frederick, cited, 203
 Altmeyer, Arthur J., cited, 265
 America, Charity Organization Movement in, 143; colonial poor laws, 54-57; criminals, colonial treatment of, 80; insane, in colonial, 79; poor law, (Midwest), 67-72, (Northern states), 57-64, (Southern states), 64-67; revolution in, effect on poor laws, 66
 American Association for Labor Legislation, 173; on old-age assistance laws, 194
 American Association of Schools of Social Work, 401
 American Federation of Labor, on workmen's compensation, 174
 American Medical Association, on workmen's compensation, 174
 American Red Cross, 108
 Ames, Charles G., cited, 139
 Anderson, Prof. Joseph, cited, 5, 299
 Application procedure, for selecting personnel, 346
 Apprentices, in colonial America, 57; in R.I., 59
 Archbishop of Canterbury, 142
 Arizona, dependent children, 205; old-age assistance laws, 195, 197
 Arkansas, blind, aid to, 192; civil service in, 343; sales tax in, 408
 Assistance, right to, 392-394. *See also* Public assistance.
 Assistance Board (1940), 50
 Association for the Improvement of the Condition of the Poor, 146
 Association of Medical Supervisors of American Hospitals for the Insane, on central authority, 113
 Atwater, Pierce, cited, 330
 Auditing, federal, 370
 Augustus, John, cited, 201
 Authority, type of, 275-276
 Backus, Dr. F. P., on mentally deficient, 83
 Bacon, Sir Francis, on Elizabethan poor law, 28
 Baker, Helen Cody, cited, 435
 Baldwin, Joseph E., 249
 Baltimore, poor relief abolished, 147n.; social reform in, 145
 Barden-La Follette Act, 250
 Barnes, Dr. Harry E., cited, 80-81
 Bates, Sanford, 253

- Begging, in medieval England, 25
 Benefits. *See* Cash benefits, Medical benefits.
 Bennett, James V., 253
 Beveridge, Sir William, 51
 Beveridge-Parsons Bill, 245
 Beveridge plan (England), 51
 Bires, Joseph, cited, 421-422
 Bishop of London, 142
 Bismarck, Chancellor, 152
 Bitterman, Henry J., cited, 97
 Black Death (1348), 25
 Blind, aid to, 190; disqualifications, 193; eligibility requirements, 190; under Social Security Act, 239
 Booth, Charles, 45
 Bosanquet, Charles, 142
 Boston, social reform in, 145
 Boston Quarterly Lecture, 144
 Brentano, Prof. Lujo, cited, 165
 Brewer, Justice, cited, 71
 Brinkerhoff, General R., 89
 Bristol (England) experiment with work-houses, 32
 Brooklyn, poor relief abolished, 147n.; social reform in, 145
 Brooks, Dr. John Graham, 173
 Brown, Nicholas, 104
 Budget, family, 396; food, 396-397; initial use of, 120-121
 Budget-deficit method, 398; for determining need, 396
 Budgeting, 335; for agency, 406; and case work, 392
 Buffalo, N.Y., 143
 Bureau of Medical Services, 253
 Bureau of Prisons, 252-256
 Bureau of State Services, 252
 Burn, Dr. Richard, cited, 39; on Settlement Act, 30-31
 Business management, 405
 Butler, Cyrus, 104
 Byers, Rev. A. G., 89
 California, administration, local, 297; blind, aid to, 192-193; budget, 121; civil service in, 121, 343; Cash Sickness Insurance Act, 183; disability insurance in, 183; juvenile courts in, 200; and occupational diseases, 177; old-age assistance grant, 197; percentage of federal, state, and local funds, 409
 Cardinal Newman, 142
 Carey, John, and Bristol experiment, 32
 Carstens, C. C., cited, 203
 Case load management, 390
 Case work, in public welfare, 389-392
 Cash benefits, in Denmark, 160; in England, 166; in Germany, 155
 Cash grants, limits on, 395; unrestricted, 394
 Cash Sickness Insurance Act, California, 183; New Jersey, 185; Rhode Island, 182
 Chadwick, Sir Edwin, 40, 41, 45
 Chalmers, Thomas, 131-134; effect of experiment on England, 139
 Charity Organization Movement, 135-151; effects of, 147; in England, 140-143
 Charity Organization Society, 42
 Chartist Movement, 43-44
 Chicago, social reform in, 145. *See also* Cook County.
 Child health, 206-208; under Social Security Act, 239
 Child labor, attempts to control, 245
 Child Labor Law (1917-1918), 245
 Child welfare, financing, 96; program, 247; under Social Security Act, 239
 Children's Aid Society, 145
 Children's Bureau, 206, 243-251; juvenile court study, 200; organized, 16; organization of (chart), 248; on reporting system, 430; under Social Security Act, 239
 Christian Socialism, 44
 Churchill, Winston, on social insurance, 47
 City administration, of welfare, 306
 Civil service, examinations, 347; reform, 121; significance of, 362; and social work, 340; in U.S., 341
 Civil Service Commission, 125, 342
 Civil War, effect of, in England, 42, 142
 Civil Works Administration, 224-225
 Civilian Conservation Corps, 229
 Classification, of personnel, 351-353
 Clay, Henry, on aid to deaf and dumb, 100
 Cleveland Federation for Charity and Philanthropy, 327
 Clothing schedules, 397
 Colorado, aid to, 192; civil service in, 121, 343; expenditures, 19; juvenile court, 200; old age assistance laws, 195, 196, 197; sales tax, 408
 Commission on Economy and Efficiency, 120
 Commons, Prof. John R., 177, 272
 Community chests, 214
 Compensation, of personnel, 353-355
 Connecticut, blind, aid to, 192; civil service in, 121, 343; and congressional action for deaf and dumb, 99-100;

- deaf and dumb, aid to, 81; dependent children, money grants, 204; education, financing of, 97; establishes state board, 90; mentally deficient, 83; occupational diseases, 177; subsidy system, 148
- Connecticut Asylum for the Deaf and Dumb, 99
- Control, budget, 406; federal, 368; by FERA, 363; fiscal, 369, 414; and hearings, 378; overhead, 324; of personnel, 377; by state agencies, 374-376; of statistical reporting, 378; and Social Security Act, 364-368
- Coope, George, 40; on Settlement Act, 30
- Cook, Rufus R., 201
- Cook County, blind, aid to, 191; bureau of public welfare, 127; department of public welfare, plan for, 308-309, (chart), 310; juvenile court in, 199
- Coolidge, President Calvin, on vocational rehabilitation, 249
- Cooperative social work movement, 326-327
- Coordination, 335
- Costs, 18-20. *See also* Budgets, Grants.
- County, as administrative unit, 301-304; home rule for, 296; ideal unit, 129; organization, 126-128; pre-depression programs, types of, 302
- County agency, type of, 307. *See also* County department, Local agency.
- County-city departments, 127
- County department, examples of, 308; under Social Security Act, 303
- County manager plan of government, 297
- Crawton, Fred, 220
- Creech, Margaret, cited, 58, 60
- Crime, 5
- Criminals, in colonial America, 80. *See also* Delinquents, Prisons.
- Crippled children, 208, 247; and Social Security Act, 339
- Curry, H. Ida, cited, 125-126
- Dane County (Wisc.), 305
- Davenport, William H., 128
- Deaf and dumb, care of, 81; schools for, 81-82
- Defoe, Daniel, on man's industry, 33
- Delaware, old-age assistance grant, 197; subsidy system in, 148
- Delinquency, 5
- Delinquent children, 82
- Denison, Edward, 5, 141
- Denmark, accident insurance, 161; cash benefits, 160; expenditures, 162; health insurance, 161; invalidity insurance, 161; medical benefits, 160; mutual aid societies, 160; old-age pensions, 161; public assistance, 162; sickness insurance, 160; unemployment insurance, 161
- Denver, department of welfare, 311, (chart), 313
- Department of Education and Welfare, proposed, 241, 242
- Dependent children, 82; aid to, 202-205; in colonial America, 57; segregated, 93; and Social Security Act, 205, 238
- Depression, (1921), effect of, in England, 49-50; (1929), 213
- Devine, Edward T., quoted, 4, 203
- Diagnosis, in social case work, 388
- Dickens, Charles, on workhouses, 42
- Direction, 334
- Disability insurance, in California, 183
- Disaster relief, 5
- Discharge, of personnel, 357
- District of Columbia, probation in, 201
- Dix, Dorothea Lynde, 101-109; appeals to Congress, 105; appointed Superintendent of Army Nurses, 107; and federal aid, 103; on insane, 103; President Pierce vetoes bill, 106
- Dix, Senator John A., 105
- Dole, 168-170. *See also* Speenhamland Act.
- Douglass, Paul H., cited, 174
- Downey, Dr. E. H., cited, 174
- Duke of York laws, 60
- Dummer, Mrs. William F., 201
- Eagles, Federated Order of, on old-age assistance laws, 195
- Economy and Efficiency Movement, 119-120
- Economy of subsidy system, 149
- Eden, Sir Frederick, cited, 25, 26, 27, 34
- Education, federal grants-in-aid, 97-98; financing, state, 97; professional, for welfare work, 400-404
- Efficiency movement, 119
- Elberfeld system, 138-140
- Eligibility, determination of, 393
- Elizabethan poor law, 15, 27-28; establishes precedent of administration, 28; major provisions of, 27; starting point of public responsibility, 24. *See also* English poor law.
- Elmore, Andrew E., 117

- Emergency relief, 213
 Emergency Relief Administration, 130
 Emergency Relief Division (RFC), 96, 218-221; and disaster relief, 108
 Emergency relief organizations, FERA obligations, 223
 Emergency Work Relief Program, 225
 Emerson, Governor, and unemployment relief, 217
 England, administration of poor laws prior to 1834, 38; American Civil War, effect on, 142; begging in (medieval), 25; cash benefits, 167; Charity Organization Movement in, 140-142; and depression of 1921, 49-50; dole in, 168-170; effect of World War I on, 50; friendly societies, role of, 166; health insurance, 165; medical benefits, 166-167; modern public assistance, 51-53; modern social insurance, 53; old-age pensions, 167; panel system, 166; social insurance in, 167-171; social insurance, emergency, 47-53; social legislation (1349-1601), 25; socialized medicine in, 52; unemployment insurance, 168-170; work accidents, 164; work relief, 31-35; workhouses, 31-35; workmen's compensation, 163. *See also* Great Britain, Parliament.
 English poor law, history of, 24-53; reforms of 1834, 39-41. *See also* Elizabethan poor law.
 Epstein, Abraham, 196
 Europe, social insurance development, 152-170
 Evolution of public welfare, 14-18
 Examinations, for personnel, 347; weighting and scoring, 349
 Excise tax, 408
 Executives, and administrative management, 329
 Expenditures, prior to depression, 17. *See also* Costs, Grants.
 Fabian Society, 44
 Facilities, physical, 337
 Family Allowance Act (1945), 53
 Family budget, 396
 Family responsibility, 73
 Fatal Accidents Act (1848), 164
 Fawcett, Prof. Henry, on reforms of 1834, 42
 Fechner, Robert, 230
 Federal agency, audit by, 370; control devices, 368; lack of unified authority, 241; state-local relationships, 363-382
 Federal aid, 96-100; administered by public agencies, 110; Dorothea Dix on, 104-105; significance of, 96
 Federal Board of Vocational Education, 249
 Federal Emergency Relief Administration, 221-224; administration of county relief programs, 303; administrative impact, 231-232; administrator, powers of, 222; control devices, 365; eliminates subsidy system, 150; local reaction to, 303; related programs, 228-231; Rule and Regulation No. 1, 110, 223; and state relief organizations, 223; work programs, 224-228
 Federal Emergency Relief Division, 17
 Federal government, administrative and financial responsibilities, 17; "dictates" to states, 271; education grants-in-aid, 97-98; emergency relief, 213; financial aid, *see* Federal aid; prisons, 252-256; public health responsibilities, 252; state relationships, 260
 Federal Security Administration, controls Public Health Service, 253; organization (1940), 263, (1945), 264; reorganized, 265
 Federal Social Security Act. *See* Social Security Act.
 Federal Surplus Commodities Corp., 228
 Fermin, Thomas, on workhouses, 32
 Finance, 404-423. *See also* Taxes.
 Finance division, organization of, 413-423
 Financing, federal, 96-111
 Finn Bill, 75
 Fiscal control, 369, 414-423
 Flat-grant-less-income method, 399
 Florida, deaf in, 81
 Folke, Homer, cited, 203
 Franklin, Benjamin, on 18th-century reform, 81
 Free will servants, 54
 "Freedom dues," 55
 Friendly societies, as health insurance agencies, 166
 Friends, Society of, 141
 Fry, Elizabeth, 141
 Führer-prinzip, 150
 Funds to Parents Act (III.), 202
 Gallaudet, Rev. Thomas H., 99
 General Settlement Act (Penna.), 60
 Georgia, deaf and dumb, 81; dependent children, 202; percentage of federal, state, and local funds, 409

- Germany, accident insurance, 155, 158, cash benefits, 155, emergency benefits, 158, health insurance, 158, invalidity insurance, 156, medical benefits, 155, old-age assistance, 156, regular benefits, 158, sickness insurance, 154, social insurance, 152-158, social insurance under Nazis, 158, social insurance legislation, 153, social security in, 159, unemployment insurance, 157, 158; workmen's compensation, 154
- Gilbert, Thomas, 35
- Gilbert's Act (1783), 35
- Giles, H. H., cited, 91, 117
- Gillin, Professor John L., cited, 69
- Gladstone, William, 143
- Glasgow, poor relief in, 132
- Goals, of public welfare, 22
- Gompers, Samuel, on Social Security Act, 182
- Gordon, Joel, 412
- Goschen, George J., 42
- Grants, cash, 394, computing of, 12; financial, 389, guaranteed minimum, 199, limits on, 395
- Grants-in-aid, defined, 109, federal, 96, history of, 96-99, and subsidies, 109
- Great Britain *See* England
- Groves Bill (Wisc.), 179
- Guaranteed minimum method of grants, 399
- Guild system, decay of, 35
- Gulick, Luther, cited, 329
- Gurteen, Rev. S. Humphrey, 143
- Hale, Sir Matthew, on workhouses, 32
- Hamburg relief experiment, 134-135
- Hanway, Jonas, on workhouse reform, 34
- Harding, President Warren G., proposes Department of Public Welfare, 242
- Hartley, Robert M., 139, 145
- Hawaii, old-age assistance laws, 190
- Hayes, President Rutherford B., 89
- Health insurance, in Denmark, 161; in England, 165; in Germany, 158, in R. I., 182
- Health Insurance Act, 161
- Healy, Dr. William, 201
- Hearings, 378
- Henry VIII, closes monasteries, 25
- Hill, Octavia, 43, 145, 143
- Hodson, William, 218
- Hoover, President Herbert C., on unemployment (1929), 213
- Hopkins, Harry L., 17, 215, appointed FERA administrator, 221, Rule and Regulation No. 1, 110, 223, and subsidy system, 150
- Howe, Dr. Samuel Gridley, 83, 87, 103
- Hoyt, Dr. Charles V., 88
- Huber, Senator, 178
- Hurley, Judge Timothy D., 199
- Idaho, blind, aid to, 192, old-age assistance grants, 197
- Illinois, administration of public welfare, an example, 275, Administration Code (1917), 16, administrative responsibility, 114, blind, aid to, 191, 192, 193, Board of Joint Estimate, 120, budget in, 121, central administration in, need for, 85, Civil Administrative Code, 122-124, civil service in, 121, 343, costs, 19, dependent children, aid to, 202, Division of Old-Age Assistance, 276, Emergency Relief Commission, 217, 229, establishes state board, 90, juvenile court movement, 199, Juvenile Psychopathic Institute, 201; occupational diseases, 177, Poor Law of 1874, 75, prison reform, 93, public assistance in, 9-10, unemployment relief in, 217
- In-service training, 358-360
- Income tax, 410
- Indentured servants, 54; legal status, 55; in Penna., 60
- Indian affairs, in New York, 7
- Indian Affairs, Office of, 257-258
- Indian Removal Bill, 257
- Indiana, blind, aid to, 192, deaf and dumb, 81, establishes state board, 90, gross income tax, 409, juvenile court movement, 200, old-age assistance laws, 196, percentage of federal, state, and local funds, 409
- Infantile paralysis, 208
- Inhumanity, in medieval poor laws, 26
- Insane, 79, 103 *See also* Mentally deficient
- Institute of Juvenile Research, 201
- International Society for Crippled Children, 208
- Interviews, in social case work, 388
- Invalidity insurance, in Denmark, 161, in Germany, 156
- Investigations, early, 146, in social case work, 387
- Involuntary servants, 54
- Iowa, blind, aid to, 192, 193, budget in, 121, county organization in, 126-127,

- juvenile court movement, 200; poor law in, 69
- Jefferson County (Wisc.), department of welfare, plan for, 311, 313, 315, 316-318, (chart), 317
- Juvenile court, Children's Bureau study, 200; movement, 198-202; statistics, 427
- Juvenile Psychopathic Institute, 201
- Kansas, blind, aid to, 192; civil service in, 121, 343; percentage of federal, state, and local funds, 409; poor law history, 70; sales tax, 408
- Kansas City (Mo.), poor relief abolished in, 1472
- Keating-Owen Bill, 245
- Kelso, Robert W., 114
- Kentucky, blind, aid to, 192; deaf and dumb, 81-83; deaf and dumb institute, 15; dependent children, 205; insane in, 80; old-age assistance grants, 197; old-age assistance laws, 195, 196; poor law history, 66-67
- Kentucky Deaf and Dumb Asylum, 100
- Kenyon Bill, 245
- Kertle, Florence C., cited, 414
- Key, V. O., cited, 370
- King, Clarence, 331
- Kingsley, Charles, 44
- Klein, Alice C., cited, 344
- Klein, Prof. Philip, 432
- Labour government, and poor law reform, 47
- Lake County (Ind.), department of welfare, plan for, 309-311
- Lathrop, Julia, cited, 203; heads Children's Bureau, 244
- Latimer, Hugh, on poor law reform, 27
- Law of 1722, repealed, 35
- Law of 1772, 33
- Lee, Porter, cited, 118-119, 329
- Lefevre, George Shaw, 49
- Legal settlement, 74
- Legislature. *See* State legislatures.
- Levy, Prof. Hermann, 165
- Lewis, Thomas Frankland, 40
- Lindsey, Judge Ben, and juvenile court movement, 199
- Lloyd George, David, on social insurance, 47; on compulsory insurance, 168
- Local agencies, 296-319; federal-state relationships, 363-382; state relationships, 296; supervision in, 379
- Local government, importance of, 299; number of units, 298
- Local programs, state-supervised, 280, 307
- Local responsibility, 73
- Local services, development of, 124-128; and public welfare, 318-319
- Local tradition, 300
- Locality, theory of, 131-134
- Lock, Sir Charles, 43, 139
- Locke, John, on man's industry, 32
- London Charitable Organization, 142
- Long, Dr. Virgil E., study on Wisconsin state supervision, 85-86
- Long-range planning, 333
- Long-range research, 428
- Louisiana, administration of general assistance, 75; blind, aid to, 192; child hygiene in, 206; dependent children, 204-205
- Lowden, Frank O., 123
- Lundberg, Prof. George A., cited, 424
- Lyndie, Mary E. B., 117
- McCarthy, Charles, 372
- MacDonald, Austin F., cited, 98
- MacLean, Francis H., 326
- Maine, administration, public welfare, 289; blind, aid to, 193; civil service in, 343; Department of Health and Welfare organization (chart), 290; juvenile court, 200; old-age assistance grants, 197; subsidy system in, 148
- Management, central, institutional, need for, 84-86; principles of, 323. *See also* Administrative management.
- Mandeville, Bernard, on man's industry, 32
- Manorial system, decay of, 35
- Marx, Karl, 44
- Maryland, administration, local, 297; apprentice laws (1793), 57; blind, aid to, 192; child hygiene bureau, 207; civil service in, 121, 343; juvenile court, 200; old-age assistance laws, 195, 196, 197; percentage of federal, state, and local funds, 409; state prison, 80; subsidy system in, 148
- Massachusetts, administration coordinated, 16; administrative responsibility, 114; alien poor in, 57; budget in, 121; civil service in, 121, 343; creates central authority, 84; delinquent boys, 15; delinquent children, 82; dependent children, 82, 93, 204; education, financing of, 97; meals tax, 409; men-

- tally deficient, 83; occupational disease, 176; old-age assistance grant, 197; pauperism in, 145; percentage of federal, state, and local funds, 409; reform school, 82; state prison, 80; treatment of "unsettled persons," 83; women's reformatory, 93; workmen's compensation, 173
- Massachusetts Charitable Fire Society, 144
- Massachusetts State Board of Charities, 86-87, 112, 279
- Maternal health, 206-208; under Social Security Act, 239
- Maternity and Infancy Act. *See* Sheppard-Towner Act.
- Maternity and Infant Hygiene Division, 246
- Maurice, Frederick Demison, 43, 44
- Measurements, uniform, attempts to obtain, 430
- Medical benefits, in Denmark, 160; in England, 166, 167; in Germany, 155
- Mentally deficient, 83
- Mentally handicapped, 5
- Merit systems, 122, 343
- Merriam, Lewis, cited, 329-330
- Metropolitan Visiting and Relief Association, 140
- Michigan, administrative responsibility, 114; central administration, need for, 85; civil service in, 343; delinquent children, 82; dependent children, 93, 205; insane in, 57; prison reform, 93
- Minimum wage, proposed (1796), 37
- Ministry of Health, 167; poor relief supervision, 49-50
- Ministry of National Insurance, 53
- Minnesota, administrative review in, 376; blind, aid to, 192; budget in, 121; civil service in, 343; deaf in, 83; establishes state board, 91; occupational diseases, 177; old-age assistance grants, 197; revises poor laws, 75
- Mississippi, workmen's compensation, 175
- Missouri, administration, 289; blind, aid to, 191, 192, 193; county organization in, 127-128; Department of Health and Welfare organization (1947) (chart), 291; dependent children, 202; juvenile court, 200
- Mitchell, William L., 265
- Money payments, unrestricted, 394
- Montana, old-age assistance laws, 195, 196; poor law, 71; percentage of federal, state, and local funds, 409
- Morrill Act (1862), 97; (1890), 98
- Multiple agencies and single agencies, 271
- Munich experiment, 136-138
- Municipal department of welfare, 306
- National Association of Manufacturers, on workmen's compensation, 174
- National Association of Schools of Social Administration, 402
- National Cancer Institute, 252
- National Civil Service Reform League, 121
- National Conference of Charities and Corrections, 94
- National Conference of Social Work, 94
- National Health Insurance Act (1946), 170
- National Health Service Act (1946), 170
- National Institute of Health, 252
- National Insurance Act (1911), 48, 168; (1946), 52
- Nebraska, blind, aid to, 192, 193; old-age assistance laws, 196, 197
- Need, methods of determining, 395-400
- Neglect, 5
- Negro, as slaves, 55
- Nevada, blind, aid to, 192, 193; old-age assistance laws, 195, 196, 197; percentage of federal, state, and local funds, 409
- New England, poor relief administration, 56
- New Hampshire, blind, aid to, 192, 193; old-age assistance grants, 197; state prison, 80
- New Jersey, administration, 279, 285; administration reorganized, 124; authority in, 120; blind, aid to, 192; budget, 121; cash sickness insurance, 185; civil service, 121, 343; county organization, 127; Department of Institutions and Agencies, 16, 277, (chart), 287; Emergency Relief Administration, 216; juvenile court movement, 200; occupational diseases, 177; percentage distribution of state expenses, 20; percentage of federal, state, and local funds, 409; public welfare services, 7-8; Temporary Disability Benefits Law, 185; and unemployment relief, 215
- New Mexico, civil service in, 343
- New York, administration, 283; administrative responsibility, 114; blind, aid to, 192; budget, 121; central administration, need for, 85; civil service, 121,

- 343; costs, 19; county organization, 127; deaf and dumb, 81, 82; Department of Social Welfare (chart), 286; education, financing of, 97; juvenile court, 200; mentally deficient, 83; modernizes poor laws, 72; occupational diseases, 177; old-age assistance grants, 197; percentage distribution of state expenses, 20; percentage of federal, state, and local funds, 409; poor relief history, 62-64; Public Welfare Reorganization Act (1929), 124; public welfare services, 6-7; state poor, 57; state prison, 80; state supervisory board, 88; TERA, 276; unemployment relief, 214; unsettled persons, 84; workmen's compensation, 174; Yates report, 63
- New York Charity Organization Society, 146
- New York City, blind, aid to, 191; child hygiene, 206; dependent children, 205; poor relief abolished, 147n.; subsidy system in, 148
- New York Deaf and Dumb Asylum, 100
- New York School of Social Work, 401
- New York Society for Improving the Condition of the Poor, 145
- New York Society for the Prevention of Pauperism, 146
- New York Society for the Relief of Poor Widows . . . , 144
- New York State Charities Aid Association, 125
- Nicholls, Sir George, cited, 26, 39, 40
- North Carolina, county organization in, 127; percentage of federal, state, and local funds, 409; poor law history, 66
- North Dakota, occupational diseases, 177; old-age assistance laws, 196, 197; percentage of federal, state, and local funds, 409; sales tax, 408
- Northwest Territory, poor law in, 68; school financing, 97
- Occupational diseases, 176-177
- Office management, 336
- Ogburn, William F., cited, 74
- Ohio, blind, aid to, 191, 192, 193; central administration, need for, 85; civil service in, 121, 343; deaf and dumb, 81; delinquent children, 82; education, financing, 97; juvenile court, 200; mentally deficient, 83; occupational diseases, 177; old-age assistance grant, 197; poor law history, 68; prison reform, 93; reform school, 82; state supervisory board, 89
- Oklahoma, authority in, 120; blind, aid to, 192; deaf in, 82; dependent children, 204
- Old-age assistance, grants, by states, 195-196; laws, by states, 194-198; minimum standards, 237-238; qualifications for, 198; state financing, 198
- Old-Age Insurance Bureau, 261
- Old-age pensions, in Denmark, 161; in England, 167; in Germany, 156
- Old-Age Pension Act (1908), 48
- Old-age and survivors' insurance, 6; financing, 96; under Social Security Act, 236
- O'Neal, Emmet, 272
- Orchard, Bernice E., cited, 391
- Organization, 11, 333; internal, of state agencies, 281; need for, 146
- Orleans Parish (La.), department of public welfare, 311, (chart), 312
- O'Rourke, Dr. L. J., cited, 347
- Outdoor relief, 189-209; approach to, 189; in colonial America, 56; in rural areas, 129
- Outdoor Relief Prohibitory Order, 40
- Overhead controls, 324
- Palmer-Owen Bill, 245
- Panel system, in England, 166
- Parochial Women's Mission Fund, 140
- Pauperism, causes of, 144; in Massachusetts, 145; in Pennsylvania, 61; removal of stigma, 149; state boards on, 93
- Pearce, Senator James, 105
- Pendleton Act, 121, 342
- Pennsylvania, Act of Relief of the Poor, 61; administration in, 62; administrative responsibility, 114; apprentice laws (1705), 57; blind, aid to, 192; budget, 121; on central authority, 113; colonial poor laws, 60; criminals in, 80; deaf and dumb, 81; dependent children, 204; education, financing of, 97; first penitentiary, 15; General Settlement Act (1718), 60; indentured servants in, 60; insane, 79; juvenile court, 200; old-age assistance laws, 195, 197; state board established, 89; unemployment relief, 216
- People's Charter, 43
- Personality problems, and juvenile delinquency, 201

- Personnel, applications, 346; classification, 351-353; compensation, 353-355; control of, 377; discharge of, 357; examinations for, 347; promotion of, 355; recruitment of, 345; selection, 50; selection, under state-federal plan, 270; separation from service, 357; training of, 358-360; veterans' preference, 360-362. *See also* Civil Service, Personnel administration.
- Personnel administration, 334, 340-362
- Philadelphia, poor law abolished in, 147n.; social reform in, 145
- Philadelphia Society for Alleviating the Miseries of Public Prisoners, 144
- Physical plant, 337
- Physically handicapped, 5
- Pierce, President Franklin, aid to mentally ill, 241; vetoes Dix bill, 106
- Pinchot, Governor Gifford, and unemployment relief, 216
- Pinckney, Judge Meritt W., 203
- Planning, 333
- Plymouth Colony, maintaining poor in, 56
- Poor law, principles, 73-74; and social lag, 74-76; supplements wages, 35. *See also* History under England and America; Elizabethan poor law.
- Poor Law of 1834. *See* Reforms of 1834.
- Poor relief, 5; abolished, 147n.
- Porter, Kirk H., cited, 305
- Portsmouth, N. H., fire at, 128
- Potter, Dr. Ellen G., cited, 94
- President's Committee on Employment, 213
- Friestley v. Fowler*, effect of decision, 163
- Prison, reform, 93
- Prisons, federal, 252-256
- Private agencies, administrative process in, 320
- Private charities, 144; influence of, 149; and subsidy system, 150
- Probation, 201
- Probation officers, 202
- Professional spirit, 22
- Programs, locally administered, 282; locally administered, state supervised, 280, 307; staff development, 360; state administered and state supervised, 279-280; training, 358-360
- Promotion, of personnel, 355
- Property tax, 408
- Pruyn, John L., 88
- Psychiatric clinics, 201
- Public administration, development of, 325; and state legislatures, 269
- Public Aid in Illinois*, 435
- Public assistance, in Denmark, 162; programs, 5; right to, 392-394; and social insurance, 152; supplants term, "poor law," 46; under Social Security Act, 237, 238
- Public Assistance Bureau, 261
- Public health, financing of, 96
- Public Health Service, 251-253; administrative units, 252
- Public relations, 434-437
- Public responsibility, 24
- Public welfare, definition of, 3-5; financing, 407-411; importance of, 23; programs, in various states, 6-11; and public assistance programs, 5; scope of, 3
- Public Welfare in Indiana*, 435
- Quakers. *See* Society of Friends.
- Reconstruction Finance Corporation, 17; Emergency Relief Division, *see* Emergency Relief Division; loans for unemployment relief, 219-220
- Recruitment, of personnel, 345
- Reform schools, 82
- Reforms of 1834, 39-41; charges (1909), 47; and taxes, 41
- Relationships, federal-state-local, 363-383; improving, 380-382
- "Relief of the Poor" Act, 26
- Rent allowances, 398
- Reporting, 335, 424-437
- Representation of the People Act (1918), 49
- Research, 424-437; administrative, and long range, 428; division, organization of, 431; need for, 424
- Responsibility, for public welfare, 363
- Review, administrative, 371-373; in states, 376
- Review staff, 372
- Rhode Island, Act of Settlement, 58; administrative responsibility, 114; Cash Sickness Insurance Act, 182; civil service in, 343; colonial poor laws, 58-60; dependent children, 204; financing poor relief, 59; health insurance, 182; insane in, 59; unemployment relief, 217
- Richmond, Mary E., cited, 203, 424; defines social case work, 4
- Roosevelt, President Franklin D., and Department of Social Welfare, 243; and FERA, 221; on Social Security Act, 180; on unemployment relief, 214; work-for-relief program, 226

- Roosevelt, President Theodore, and dependent children, 203
 Rorem, C. Rufus, cited, 411
 Routzahn, Mary Swain, 435
 Royal Commission for Inquiry . . . of the Poor Laws, 40
 Royal Commission of 1834. *See* Reforms of 1834.
 Royal Commission of 1909, 46-47
 Royal Commission on Unemployment, 169
 Rubinow, Dr. I. M., cited, 214
 Rule and Regulation No. 1 (TERA), 223, 232
 Rumford, Count Benjamin, 136
 Rural Rehabilitation Division, 229
 Rural services, improvement of, 128; outdoor, 129; urban-rural disparity, 125
 Ruskin, John, 141, 142
 Russell Sage Foundation, aid to dependent children, 203

 St. Joseph (Mo.), 127
 St. Louis (Mo.), poor relief abolished in, 147n.; social reform in, 145
 St. Paul (Minn.), social reform in, 145
 Sales tax, 408
 San Francisco, poor relief abolished in, 147n.
 Sanborn, Frank B., cited, 87, 92
 Schools, federal grants-in-aid, 97-98
 Second Morrill Act (1890), 98
 Seed Grain Act (Mont.), 71
 Senior, Nassau W., 40
 Separation, at termination of employment, 357
 Service, 11
 Settlement Act (1662), 29
 Settlement laws, 59
 Shaftesbury, Lord, 141, 142
 Shaw, George Bernard, 45
 Shaw-Lefevre, George, 40
 Sheppard-Towner Act, 118, 206-207, 245, 246; and Children's Bureau, 16
 Sicard, Abbé, 59
 Sickness, cause of insecurity, 252
 Sickness insurance, in Denmark, 160; in Germany, 154
 Silicosis Act, 164
 Single agencies and multiple agencies, 270
 Smith, Adam, 30
 Social case work, principles, 387-389
 Social insurance, contrasted with poor law, 49; in Denmark, 159-163; developments, 86; developments of, in Europe, 152-170; differs from public assistance, 6; emergencies of (in England), 47-53; in England, 53, 163-171; in Germany, 152-158; not public welfare service, 5; and public assistance, 152; in U.S., 172-188; in Western nations, 170
 Social lag, 74-76
 Social legislation, in England (1349-1600), 25
 Social and Mutual Advancement Association of the Blind, 191
 Social Science Association, 141
 Social Security, 260-266; in Germany, 159; merit systems for, 343
 Social Security Act, 180-182; aspects of, 239; blind, aid to, 192; Children's Bureau, 16; dependent children, 205; eliminates overseer of poor, 305; establishes county departments, 303; financing, 96; passage of, 232; program, modern, 17; provisions of, 234; purposes of, 181; requirements of, 364-368; review of local administration, 12; revives Sheppard-Towner Act, 246; and vocational rehabilitation, 250
 Social Security Board, 260-261; organization, (1940), 263, (1948), 264
Social Security Bulletin, 435
 Social service, 3
 Social work, defined, 4-5; professional aspects of, 383-386; schools for, 401-404
 Socialized medicine, in Great Britain, 52
 Society of Arts, 141
 Society of Friends, 141
 Society for the Improvement of the Conditions of the Laboring Classes, 141
 Society for Organizing Charitable Relief and Repressing Mendicancy, 42
 Society for the Relief of Distress, 141
 Society for the Relief of the Ruptured and Crippled, 141
 Society for the Suppression of Mendicancy, 140
 Solby, Rev. Henry, 141
 South Carolina, dependent children, 202
 South Dakota, dependent children, 204
 Speenhamland Act, 36; and tax rates, 39
 Spencer, Herbert, 38
 Staff development program, 360
 State administration, single vs. multiple agencies, 276
 State agencies, 266-295; control devices, 374-376; federal-local relationships, 363-382; internal organization, 281; and legislative rules, 270; local rela-

- tionships, 296; operate at federal expense, 268; proposed organization for (chart), 413; programs, administrative and supervisory, 279-280; rules and regulations of, 378-379; training programs, 358-360; use of, 79-95
 State authorities, examples of, 283-294; type of, 275-276
 State boards, administrative responsibility, 114; assume control, 112-130; and dependent children, 204; duties, 112; for economy and efficiency, 93; on immigration, 93
 State governments, federal relationships, 266
 State institutions, colonial, 79-80; early administration, 16; specialized, 15
 State legislatures, and federal "dictation," 271; limiting rules for agencies, 270; personnel selection, 270; public administration, 269; weaknesses of, 272
 State prisons, 80
 State programs, trends in, 292-294
 State supervisory boards, creation of, 88-92
 State Technical Advisory Service, 344
 Statistical reporting, 425; control over, 378
 Statistics, juvenile court, 427; lack of uniformity in, 426; social, tabulating and publishing, 427
 Statistics division, organization of, 431
 Statute of Laborers, 14, 24, 25
 Stevenson, Marietta, cited, 333
 Strangers' Friend Society, 140
 Subsidy, defined, 109; and grants-in-aid, 109
 Subsidy system, 148-150; economy in, 149; elimination of, 328; and politics, 149
 Sumner, Charles, 103
 Supervision, early, 16; local unity, 329
 Surgeon General, office of, 252
 Survey, 376
 Taft, President William Howard, Children's Bureau, 243; Commission on Economy and Efficiency, 120
 Taxes, 407
 Temporary Disability Benefits Law (N.J.), 185
 Temporary Emergency Relief Administration (N.Y.), 215
 Tennessee, civil service in, 343; percentage of federal, state, and local funds, 409
 Theory of Locality, 131-134
 Townsend plan, 234
 Township relief, 129, 304
 Training, of personnel, 358-360
 Trevelyan, Sir Charles, 142
 Truman, President Harry S., reorganizes Federal Security Administration, 265
 Tuckerman, Joseph, 144
 Unemployment (1929), 213
 Unemployment Assistance Board (-934), 50
 Unemployment compensation, 6; financing, 96; under Social Security Act, 234-236; in Wisconsin, 178-180
 Unemployment Compensation Bureau, 261
 Unemployment insurance, in Denmark, 161; in England, 168-170; in Germany, 157, 158
 Unemployment relief, 5; state, 213
 United States, accident insurance, 173; social insurance, development of, 172-188; workmen's compensation, 172-177. *See also* states, Social Security Act, congressional acts.
 United States governmental agencies. *See* particular name, as Children's Bureau, Public Health Service, Surgeon General, etc.
 "Unsettled persons," 83-84
 Utah, administration, 287; blind, aid to, 192; costs, 19; deaf, 82; old-age assistance grants, 197; percentage of federal, state, and local funds, 409; sales tax, 408; services, 10
 Vermont, state prison, 80
 Veterans Administration, 259-260
 Veterans' preference, 361-362
 Virginia, deaf and dumb, 81; dependent children, 205; insane, 15, 79; percentage of federal, state, and local funds, 409; poor law history, 64-66; state prison, 80
 Vocational rehabilitation, 248-251; financing, 96; under Social Security Act, 239
 Voght, Baron Kaspar von, 134
 Voluntary servants, 55
 Wages, 354; poor law supplements, 35. *See also* Minimum wages.
 Wagner, Senator Robert A., on Social Security Act, 180
 Wagner-Lewis Act, 221

- Wagner-Rainey Bill, 219
 Walnut Street Prison (Philadelphia), as model, 80
 War chests, 327
 Warfield, Prof. George A., 128
 Warner, Prof. Amos G., cited, 110
 "Warning out," 56, 59a.
 Washington, blind, aid to, 192; old-age assistance grants, 197; modernizes poor law, 72, 75
 Washington, D.C., poor relief abolished in, 147a.; subsidy system, 148
 Webb, Sydney and Beatrice, 45; Reform of 1834, 39; and Royal Commission of 1909, 46
 Weigel, John C., cited, 414
 Well-baby programs, 206
 West Virginia, dependent-children, 205; old-age assistance grant, 197
 Westchester County (N.Y.), 121
 Western Reserve University, Workshop on Social Research, 428-429
Which Way to Turn, 437
 White House Conference on Child Health (1930), 206
 White House Conference on Dependent Children, 203
 Whitebread, Samuel, and minimum wage, 37
 Widows, Orphans and Old-Age Contributory Pensions Act (1925), 49
 Willfam the Conqueror, 25
 Wilson, Sir Arnold, 163
 Wines, F. H., 94
 Wisconsin, administration, 279; administrative responsibility, 114; blind, aid to, 192, 193; costs, 19; Board of Charities and Reform, 115; central administration, need for, 85; chart of accounts, 416-421; civil service in, 121, 343; delinquent children, 82; dependent children, 204; economy and efficiency in, 119; food budgets in, 396-397; household expense, 398; juvenile court, 200; modernizes poor law, 724 occupational diseases, 177; old-age assistance laws, 195, 196, 197; percentage of federal, state, and local funds, 409; personal expenses, 398; prison reform, 93; responsibility of institution heads, 116; School for the Blind, 115; services in, 8-9; state board established, 91; State Board of Control, 115-118; State Board of Supervision, 118; state prison, 115; Unemployment Compensation Law, 177-180; welfare integration in, 277
 Wisconsin Manufacturers Association, on unemployment insurance, 179
 Wismer, Helen L., cited, 424; quoted, 4
 Witte, Dr., Edwin E., cited, 233, 249; on Social Security Act, 180
 Work accidents, 164
 Work programs, 224-228
 Work Projects Administration, 226-228
 Work relief, in England, 31-35; in Hamburg, 134
 Workhouses, in England, 31-35
 Workingman's College, 141
 Workmen's compensation, 6; accident prevention, 176; administration of, 175; defects, 175; in England, 163; in Germany, 154; in Massachusetts, 173; in Mississippi, 175; in New York, 174; occupational diseases, 176; rehabilitation phase, 176; in U.S., 172-177
 Workmen's Compensation Acts (1897) (1918), 164
 Works Progress Administration, 226-228
 Workshop on Social Research, 428
 World War I, cooperative social work during, 327; effect of, in England, 50
 Wright, A. O., 117
 Wyoming, blind, aid to, 192; dependent children, 205; juvenile court, 200; old-age assistance grants, 197; percentage of distribution of state expenses, 20; percentage of federal, state, and local funds, 409
 Yates (J. V. N.) report, 63
 Your Welfare Department Reports, 436

